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POLITICAL

CYPRUS

EDEK CHAIRMAN INTERVIEWED ON NATIONAL PROBLEMS

NC122047 Nicosia Domestic Service in Greek 1740 GMT 12 Nov 85

[Interview with Socialist Party EDEK Chairman Vasilios Lissaridhis by Cyprus Broadcasting Corporation correspondent Andreas Khatzipapas on party platform for 8 December parliamentary elections--recorded]

[Excerpts] [Khatzipapas] Mr Lissaridhis, this question concerns the Cyprus problem. What is your party's position on a solution for the Cyprus problem and on the procedure that must be followed to achieve solution?

[Lissaridhis] The answer is simple. A solution must end occupation, deny any interventionist rights to Turkey, and guarantee the three basic freedoms which include the right of all refugees to return to their ancestral homes. It would be naive to believe that Turkey came to Cyprus to protect Turkish Cypriot rights. Turkey has clearly defined its goal as the establishment of a protectorate in the north and overlordship over the entire Cypriot area and then complete occupation. Any dialogue is doomed as long as Turkey believes that its goal is feasible. This is why the policy of constant concessions, instead of ending in a solution, has ended in the legalization or semilegalization of the occupation. For this reason, we propose a new strategy that will make Turkey's goal impossible.

The first element of our strategy is internationalization. The leaders of AKEL, DIKO, and DISI tell us that internationalization has taken place. I am afraid I will have to disagree. Is it internationalization when we speak of not referring to the fighting; that is, not referring to the occupation? Is it internationalization when we secure resolutions and subsequently we ourselves call them unrealistic? How is it possible to guarantee pressures on Turkey this way? Is it internationalization when we single out from the resolutions only the one that concerns the talks and abandon those on the occupation and the refugees' return to their ancestral homes? Certainly no one believes that resolutions by themselves can possibly solve the Cyprus problem, but they constitute a strong weapon in the hands of struggling Cypriot Hellenism.

The second element is defense. At this point there has been a conscious effort to distort this clear position and present it in such a way as to terrorize Cypriot Hellenism by saying it means war against Turkey. I must clearly state that those people who will lead to war and bloodshed are those people who

want Cyprus isolated from Greece, who undermine the defense effort, who create an atmosphere of resignation that Turkey will certainly exploit in order to broaden the scope of its goals and thus draw the people into a bloodbath. It is their policy that leads to bloodshed. Our policy leads to a tolerable and peaceful solution of the Cyprus problem. Unfortunately, AKEL, DIKO, and DISI voted in the chamber to reduce the contribution for defense to half percent. Defense is not limited to technical equipment. We must create a correct atmosphere beyond the atmosphere of a consumerism that, unfortunately, is taking place in a state that is daily confronting the barbed wire of shame and is in danger of becoming the last generation of Greek Cypriots in this country.

The third element is the utilization and not the involvement, as some people are saying, of existing interests in the Cypriot area.

Unfortunately, I do not have the time to analyze all these interests. I will limit myself to the Greek issue. With PASOK's rise to power, the Greek Government fully undertook its national and legal obligations and created an unprecedented opportunity for Greek Cypriots. The AKEL-DIKO cooperation and the minimum program established solely to share power undermined this unprecedented opportunity for the Greek Cypriots. In any case, the message sent by the Greek Government is clear: Any new aggressive action against Cyprus will have broader repercussions. This changes the focus of U.S. interests. It knows that such a confrontation will dissolve the southeastern NATO flank. Furthermore Greece's physical presence in the Cypriot area changes even the dimension of time because Turkey, which does not want an official Greek presence in the southeastern Mediterranean, will understand that the only way for this presence to cease is to withdraw all foreign troops and solve the Cyprus problem peacefully on the basis of independence.

How can we overcome the deadlock resulting from the crisis we are facing? How was this crisis created? It is the result of deviating from Security Council Resolution Number 550. Unfortunately, instead of seeking an overall Cyprus solution--as provided for by this resolution and based on UN principles and resolutions--AKEL and DISI suggested an alternative to which the government consented. They proposed a solution midway between the conqueror's and the victim's stands. This is the background of our deviation from Resolution Number 550. We participated in indirect talks. We warned that no summit should be held without preliminary agreement on the basic aspects of the Cyprus issue because there would be negative consequences. The meeting took place and there were negative consequences.

Later came the question of signing the documents. All parties agreed that no documents should be signed, but only discussed. Unfortunately, later AKEL and DISI adopted Danktas' and Turkey's view. Thus, we entered a new crisis. I shall not reiterate why the documents should not be signed. What surprises me is that in January the president considered the documents unacceptable, yet he accepted them a few months later. Why? What were his motives? Moreover, since the president wrongly accepted the documents, which he had originally rejected, why is the crisis continuing? Is it solely due to procedural matters, whether or not the president must abide by the parliamentary majority? We clearly say: Yes, the president must be bound by the decisions and laws

of the house, but only on basic national issues. Neither the president nor the house have the right to bind the people to their decisions. In the case of leadership rule we must remember the people's sovereignty. As a classic example I will point to the question of the occupation troops' presence after the Cypriot Government was dissolved and the transitory government established. This is what really separates us from the AKEL and DISI leaders. I ask: If we agree to the presence of occupation troops and if later on, Turkey refuses to withdraw its troops, we would even be unable to turn to the United Nations for help without the consent of the Turkish Cypriot community. If Turkey later sends troops to all of Cyprus--I apologize--if it sends Turkish Cypriots everywhere in Cyprus for resettlement and then creates an artificial crisis, it could use the excuse of protecting the Turkish Cypriots to expand its occupation all over Cyprus. This would be tantamount to legalizing and expanding the occupation throughout Cyprus. Does any leader have the right to decide for the people on such a matter? I believe that the crisis today is continuing because of the quarrels over keeping, sharing, and resharing presidential authority. However, the Cypriot people want the attention of Cypriot party leaders to be focused on occupation and expansion.

AKEL and DISI count their votes but they do not tell us--since they claim that they do not cooperate with each other--how we are going to overcome the political deadlock. Will we have a permanent political crisis which is exploited by Turkey for the gradual implementation of its expansionist plans? If they have a joint program, why do they not announce it to the people? And what is this program? Is it proimperialist or anti-imperialist? I am using their own words, because if they are rivals, then I state that plus two and minus two is not equal to four but zero.

Rumors are always spread during elections. In the past it was rumored that EDEK was going to cooperate with other parties. Now it is rumored that EDEK is cooperating with DIKO. Our reply is simple.

I already cited our differences with the other parties and I clearly gave our views on Cypriot Hellenism. I must now say that EDEK does not bargain for the sake of power. EDEK is not concerned with such things. EDEK is based on principles. Our only concern is to promote the national struggle for the survival of Cypriot Hellenism in alignment with Greece. We must not distort the meaning of parliamentary elections. We must tell the people that this time they are being called on to determine the house compositions, that is which voices they want to be heard in the house. We should give our views with equal sincerity. I repeat: Do we accept confederation under the pseudonym of federation and Turkey's suzerain rights over all of Cyprus? There is no room for choice. The dangers to Hellenism are enormous and for every Cypriot patriot loyalty should not be to any political leader but to Cyprus and the rights of Hellenism. This time every Cypriot must be sincere and vote according to his conscience. Many people say that EDEK's line is correct but--there is no room for buts. If we believe that this line is correct we must convert this stance into a positive vote so that EDEK may be strong in the house. This is necessary in order to promote the national cause, cooperate with Greece, unite against occupation, end a useless internal disruption, and introduce a new strategy to make Turkey's goals unfeasible.

POLITICAL

DENMARK

POWER INDUSTRY IMPORTING LESS COAL THAN EXPECTED FROM SOUTH AFRICA

Copenhagen BERLINGSKE TIDENDE in Danish 29 Oct 85 Sect III p 10

[Article by Kim Barren: "Fewer Coal Imports From South Africa Than Predicted"]

[Text] Denmark imported about 44,000 fewer tons of coal from South Africa in 1985 than the year before. Imports of 2.9 million tons are expected in 1986.

Imports of coal from South Africa will be less this year than predicted. Originally, imports were expected to be 3.0 million tons, but new figures now show that the total will amount to 2.956 million tons.

This was revealed by Energy Minister Knud Enggaard (Liberal) in a reply to the Energy Policy Committee of Parliament. During the first half of 1985, the level of imports of coal was above the level for 1984, but that was due to electric power stations having requested an accelerated delivery from South Africa as a result of the cold winter. That resulted as well in a correspondingly higher value of imports during the first half of 1985 due in part to a higher dollar exchange, and partly to increases in the price of South African coal.

Electric power plants previously had decided to cease importing coal from South Africa at least by 1990--as a result of government policy--which was to have occurred by means of a gradual reduction in imports. Imports on the order of 2.9 million tons are figured for 1986.

The energy minister calculates that increased costs will be between one-half and one billion kroner annually--calculated in 1983 prices--when South African coal imports are halted. If Parliament approves a proposal of the Social Democrats for an immediate halt on imports of South African coal, it would mean that it would be necessary to buy coal at a higher price which automatically would be pushed up when competition from South Africa ceases.

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CSO: 3613/71

BRIEFS

MINISTER ASKS NICARAGUA AID--Foreign Minister Uffe Ellemann-Jensen (Liberal) has two proposals under consideration. First, to grant Nicaragua an interest-free government loan of 75 million kroner for 18 years. If this should come to pass, it will be the first time that Denmark ever will have granted a loan to Nicaragua. The intention is that the money would be used for purchasing equipment and services in connection with road maintenance along with repairs and modernization of silo facilities as well as equipment for chicken farms. The projects are expected to be carried out as turn-key projects, where Danish firms would offer expert assistance as well as that the purchases involved would occur in Denmark. And second, there is a request to grant South Yemen an aid subsidy of 85 million kroner, tied to purchases in Denmark. [Excerpts] [Copenhagen BERLINGSKE TIDENDE in Danish 29 Oct 85 p 12] 12578

CSO: 3613/21

POLITICAL

DENMARK/GREENLAND

BRIEFS

GREENLAND MINISTRY SHUTDOWN PROPOSAL----Prior to 1 February next year a ministerial working group is to come forward with a proposal as to how the Ministry for Greenland Affairs is to be shutdown. Minister for Greenland Affairs Tom Hoyem (Center-Democrat) yesterday issued an announcement on establishment of the committee, which will have participation from the Prime Minister's office, the Finance Ministry and the Ministry for Greenland Affairs. The task of the committee is, among other things, to survey what remains of Danish government areas of responsibility regarding Greenland, since the Home Rule government of Greenland has taken over more and more of the original functions. The committee is moreover to study the assigning of responsibility of tasks in the future. Sources reported to BERLINGSKE TIDENDE that the goal is that the remaining tasks are to be handled by the Danish government, with them being assigned to the various ministries. The tasks are to be coordinated by an office in the Prime Minister's Office, similar to arrangements now used with the Faeroe Islands. [Text] [Copenhagen BERLINGSKE TIDENDE in Danish 8 NOV 85 p 2] /8309

CSO: 3613/27

POLITICAL

FINLAND

COMMUNIST PARTY INTERNAL PROBLEMS MAY AFFECT COALITION MAKEUP

Helsinki KANAVA in Finnish 20 Sep 85 p 11

[Editorial: "Finnish Elections"]

[Text] As different as the parliaments of the Nordic countries are in terms of structure, they share in common matching strength of the Left and non-socialist parties. In the Norwegian and Swedish national elections that were just held the score was again nearly even. In Denmark the seats in the Folketing were divided in the same way.

In Finland too, since the very beginnings of Parliament a balance of power has prevailed between socialists and nonsocialists. While with the exception of a couple of elections the nonsocialist parties have gotten a few more seats than the socialists, the small parties' lack of strength or "game politics" has generally evened up the score.

This means that there have been a certain stability and continuity in the use of power. No big surprises occur. Although mobile voters may change parties from one election to the next, only a few jump the ideological border fence. This must be regarded as astonishing in the Nordic democracies.

Now in Finland, however, we sniff political changes in the air since the different parties are already getting ready for the 1987 and 1988 elections. They are regarded as being connected with one another. In its recent letter to the SKP [Finnish Communist Party] Central Committee, the CPSU Central Committee also alluded to it.

The cuss word of debate in domestic politics is "conservativization." The Communist moderates are now accused of this, not to mention the Social Democrats, the Centrists and the Conservative Party.

Since words have a tendency to materialize, the SKP chairman's prophecy concerning changes of the key forces in future governments may be correct. A shift to a permanent ideological division benefiting the nonsocialists is, however, in sight precisely because of the divisiveness in the SKP.

Splitting the SKP will probably drop the number of their joint representatives to less than 20. As for the Social Democrats, they do not seem to be

increasing their support. And if, to boot, Kalevi Sorsa at this point leaves politics, putting together a coalition like the present one will be difficult, even impossible.

The alternatives would be a nonsocialist majority government led by the Center Party or a government led by the Social Democrats in which the Conservative Party would vigorously participate.

Both alternatives will be reflected in the 1988 elections, about which we cannot yet talk, even though everyone is already thinking about them.

11,466

CSO: 3617/8

POLITICAL

FRANCE

PCF'S LAURENT REPORTS ON ELECTION CAMPAIGN

PM201131 Paris L'HUMANITE in French 14 Nov 85 pp 4-5

[Excerpts from PCF Central Committee Member Paul Laurent's report to PCF Central Committee meeting on 12 November: "The Vital Force"]

[Excerpts] "The communist vote next March will be a vote by all those men and women who want to be better defended. Whatever the overall result of the election the leaders of the right-wing parties will be present in the National Assembly or in the regional councils with some of their men. Who will they have facing them to resolutely oppose them and thwart their policy? Certainly not the socialist deputies who have already announced that they wanted to continue the current policy and who are already envisaging an alliance with a right-wing party. No, the only deputies and the only regional councillors who will stand by the workers affected or threatened by unemployment, who will be with those who refuse to accept the reduction in their purchasing power, who share the aspirations for greater justice and responsibilities for wage-earners in all categories, workers or engineers, civil servants or research workers, technicians or cadres, who will take action, according to the phrase used in our proposals to ensure that 'young people are no longer sacrificed,' will be the communist deputies...."

Paul Laruent then developed the idea that voting communist will also be the strong assertion that a different policy is possible. "Specific proposals on this subject are contained in the document adopted at our national conference...."

"We have printed 8 million copies of it and they will be distributed by hand by the Communists to all those around them in the enterprises, in their districts, in their villages, who are wondering about how to overcome their problems. Our proposals will therefore form the basis of hundreds and thousands of dialogues. But, of course, these dialogues should not be seen as a kind of repetitive and general discussion. What we want is to have discussions and make people understand how and why it is possible to do things differently, in relation to experience, real life, and the real problems of those we are addressing...."

As this campaign starts we feel that the Communists' essential proposals are capable of bringing millions of men and women who do not identify with the Right's disturbing plans or in the PS government's record or practice to vote for our candidates...."

"In a situation in which the PS' one ambition is to pursue its austerity policy, and to coexist with the Right in one form or another, opening up new prospects in 1986 can only be the result of one new situation: an increase in communist votes...."

"It is a question of learning from the experience of the past 5 years: the opportunity for change has been wasted by the ruling party. It is up to the voters who voted communist in 1981, to those who abstained in 1981, and to those who voted socialist in 1981 as a useful vote, to learn from this.

"Since the national conference the Communists have launched the election campaign on a broad basis.

"One important fact is that all our lists of candidates have now been approved and ratified for all the federations. Ours is the only party to have conducted this discussion in complete democracy and serenity, whereas on the Right and in the PS it is the authoritarianism of leadership bodies and petty personal ambitions which have been to the fore. I would like to stress once again that we are the only party which gives nearly such a big place to women candidates likely to be elected. By contrast what a mockery it is to see the decision by socialist women to form an organization aimed at demanding a greater place for women portrayed as a major political act at the very time when their party has just eliminated them en masse from its lists.

"As can be seen, we have already done a considerable amount of work in the past month. But we are meeting today to move into a higher gear. The stakes are considerable: If the number of communist votes increases in March 1986, all those suffering as a result of the present situation, all those who want to see exploitation, unemployment, and injustice pushed back, all those who want to defend themselves and be defended, will be able to resist and counterattack more effectively. A new and better situation will exist.

"And today one thing seems certain. Given our party's policy and its clear and constructive proposals, if we, the party leaders, our 2,200 candidates, and the 600,000 members of our 27,500 cells boldly go out toward those who want to see things change, particularly the thousand who have already voted communist in recent years, toward young people, if they have fraternal discussions with them on the basis of their worries, to ensure that they confirm their communist vote or to persuade them to vote communist, then we are certain of achieving a good result in March 1986.

"Our only strength is the activity of the party, of each Communist. Just as we must continue unswervingly to combat the discrimination against us in the media, so we should rid ourselves of any illusion on this subject. The frenetic campaign to weaken us, to say nothing about our policy or to distort it will continue to be consistent with the fear of the advocates of austerity of seeing us gain ground. But although the PS continues to monopolize television (which, as can be seen, does not solve all its problems), although the Right is certain of collapsing under the billions of those who are financially privileged, we have a wealth which is unique to us and extremely precious: the Communists' capability, devotion, and combativeness...."

"We have said that we can only rely on ourselves, but if our full militant capacity is expressed it is an irresistible force.

"In some places the importance of this crucial effort is still underestimated. We must overcome this situation quickly everywhere."

/9716

CSO: 3519/43

POLITICAL

GREECE

REASONS FOR PAPANDREOU'S CANCELLATION OF U.S. VISIT

Athens TAKHYDROMOS in Greek 17 Oct 85 p 7

[Text] Everything, or nearly everything, was ready for the prime minister's trip to New York. The hotel rooms had been booked. The passport visas (for all members of the prime minister's retinue, including the journalists) had been secured. And the ERT [Greek Radio and Television] crew had already been sent to New York for the necessary "reperage"--a study of the locations, filming of some first scenes, etc.

And suddenly everything was cancelled after Prime Minister Papandreou's decision to stay here so he can personally monitor the implementation of the economic measures which have been announced.

The decision was not surprising. First of all, the measures were not (and could not be...) "popular." Second, they required (and require) difficult maneuvers. It would therefore be unthinkable for the prime minister to be away from the capital for a whole week to attend the celebrations and dinners on the occasion of the UN's fortieth anniversary.

It appears, however, that some other reason also influenced the prime minister's decision. First of all, it is a public secret that the Papandreou-De Cuellar relations have gotten chilly lately.

The Greek side continues to believe that the UN secretary general's latest initiative on the Cyprus problem "could not be of service to the objectives of the Security Council's decisions and the UN General Assembly's resolutions."

Conversely, the UN Secretariat believes (and this emerges from the reactions of Francois Juliani, spokesman for the UN secretary general, to what the prime minister said to PASOK's Parliamentary Group) that De Cuellar is "quite okay" and that his initiatives on the Cyprus problem are applauded by the two superpowers and by the other members (permanent and non-permanent) of the Security Council.

This "chilliness" in the prime minister's relations with the UN secretary general was an additional reason for Papandreou's visit to New York to be called off. The prime minister wanted to discuss the Cyprus problem "in detail and depth" with De Cuellar. But the chilliness which has been created in the two men's relations (short-lived, it is believed) was--in one way or another--a restraining factor for such a decision.

In all other respects, the trip's cancellation does not appear to have "annoyed" public opinion at all. We are not for holidays and festivals, says the simple citizen, when our house and our economy are suffering.

POLITICAL

GREECE

PAPANDREOU STATEMENT DENIES RIFT WITH SARTZETAKIS

Athens I KATHIMERINI in Greek 9 Nov 85 p 1

[Text] As can be inferred from the premier's statement yesterday, the government has not repented opting for Mr. Sartzetakis. However, no reference was made again to a 5-year term.

With a lengthy and "categorical" statement regarding his relations with the president of the republic, the premier chose yesterday to preserve good relations with...his spokesman. Mr. Papandreou fully backed Mr. Laliotis, repeating the assurances of his spokesman about his relations with Mr. Sartzetakis and not his own declarations, which were reported in an article in yesterday's KATHIMERINI, to the effect that: "Today's parliament does not elect the president of the republic" and: "the PASOK will complete its second 4-year term." These assurances are totally missing from the statement the premier made yesterday.

Mr. Papandreou was content with repeating Mr. Laliotis' statement, not on "predictions of outcomes" regarding Mr. Papandreou's eventual shift to the presidency of the republic, but confirming that:

There is a president of the republic and any discussion of another person is "unfounded and misleading because it serves destabilizing purposes." And it is typical that Mr. Laliotis also said, only following questions from the press--to which he did not refer, that: "both of the premier's statements are valid, of course.

It is thus an established fact that Mr. Papandreou, in a 2-page statement, avoids making any reference to his former assurances about the duration of Mr. Sartzetakis' term. On the contrary, instead of reiterating in a brief statement all that he was saying on the subject in the pre-election period he tags on--in a lump--everything published on the now famous "destabilization plan." Thus giving, in the view of political observers, a new dimension to his reluctance to make a plain statement that Mr. Sartzetakis will be completing his 5-year term. A dimension arising from the opportunity offered by those publications--fed by occurrences that are, to say the least, odd and in which the government also becomes embroiled--to resort to the now daily "sop" of the "destabilization plan."

The Declaration

More specifically, the statement the premier made yesterday runs as follows:

"Articles, and chiefly front page headlines in some newspapers, concerning my relations with the president of the republic have recently proliferated.

"There is no doubt that the descriptions, claims and headlines constitute a boring repetition of the same myth and the same lie.

"Some people rake their imagination to avoid facing reality. They are unable to come to terms with and accept a fundamental truth. The closed circuit of the ruling Right, which lasted for decades, no longer exists.

"I wish to remind all those circles that the new reality rests on the decisive choice of the PASOK on 9 March of a new president of the republic and, simultaneously, of a democratic revision of the Constitution.

"The designation of the militant, democratic and incorruptible judge, Christos Sartzetakis, as president of the republic as well as the confirmation through the required majority of a revision of the Constitution sanctioned a new period that was sealed by the recent great victory of the PASOK, the victory of order, democracy, independence and change.

"My relations with the president of the republic were, are and will be excellent. This is confirmed over and over by our frequent and regular meetings.

"Articles that try to cast doubts on this reality and truth aim to systematically erode institutions and serve scenarios to destabilize a normal and democratic process to modernize, democratize and radically change our society.

"I think it necessary and useful to point to two recent government announcements as there are some who must finally understand the new facts which govern our political situation.

"There is a president of the republic, Mr. Christos Sartzetakis, and any kind of discussion about someone else, including myself, is unfounded and misleading, for it serves destabilizing purposes.

"There is also a categorical political statement of ours which leaves no margin for misinterpretations and irresponsible or spurious publications in connection with the revision of the Constitution.

"Our government stands firm in its initial position on the provisions to be revised, which were debated and voted in parliament in the spring of 1985."

12278

CSO: 3521/30

POLITICAL

000001

DISTRIBUTION OF GOVERNMENTAL FUNDS FOR ELECTORAL CAMPAIGN

Athens TO VIMA in Greek 6 Oct 85 p 2

[Article by Mikhalis Dimitriou]

[Excerpt] Only the three large parties in the Chamber of Deputies -- PASOK, New Democracy and the KKE -- will have a share of the total state financial aid to the parties, which is estimated at 1.4 billion drachmas for 1986.

Specifically, for 1986, PASOK is entitled to take approximately 645 million drachmas, while ND takes 580 million and the KKE approximately 175 million.

All the other parties are not entitled to any funds from this year until the next elections because, on one hand, the special transitional provision of Law 1443/84 has ended (following the outcome of the recent parliamentary elections) and, on the other, no one independently garnered three percent of the total valid ballots.

As is known, the KKE(int) received 1.84 percent of the votes and EPEK [National Political Union] got 0.60 percent, while EDA, Christian Democracy, ESPE [United Socialist Front of Greece], KODISO [Democratic Socialism Party] and EDIK [Democratic Center Union] did not take part in the recent elections in the framework of an alliance with PASOK, the KKE and ND; they sheltered their cadres instead.

Kostas Stefanopoulos' "Democratic Renewal" is also not entitled to financial support because the law designates the beneficiaries on the basis of electoral results, not subsequent political formations within or outside of the Chamber.

According to reliable information from TO VIMA TIS KYRIAKIS, Minister of Interior Agamemnon Koutsogiorgas in his recent document to the Ministry of Finance asked for a credit entry for 1986 so that 1,350,000,000 drachmas can be allocated for funding the parties.

It is believed that this amount sought by Koutsogiorgas approximates the final ceiling for funding in 1986, which will be formulated when the General State Budget for 1986 is set up, and specifically in accordance with the state's total ordinary revenues for the coming year. Reliable sources from the Ministry of Finance stated, from TO VIMA TIS KYRIAKIS, that the amount will reach approximately 1.4 billion drachmas and maybe exceed that slightly, given that the ordinary revenues for 1986 are calculated at 200 million more than those in 1985 (which are estimated at around 1.215 billion).

Based on formation of the new general budget at 1.4 billion drachmas and allocation of an amount analogous to one per thousand of the ordinary revenues:

Pasok, with a 45.82 percentage in the elections, will receive 47.46 percent of the new financial aid.

New Democracy, with 40.84 percent, will receive 42.30 percent.

The KKE, with 9.89 percent, will get 10.24 percent.

9247

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POLITICAL

GREECE

SUCCESSION GROUPS SEEN REVOLVING AROUND ND'S MITSOTAKIS

Athens ENA in Greek 10 Oct 85 p 11

[Text] One out of every seven ND deputies is contending for the party leadership, or has leadership ambitions which directly influence his political behavior, his parliamentary duties and his discipline to the party line. This emerges from the "list of leaders" which was composed by Mitsotakis' staff and, according to a reliable source, was reported to K. Karamanlis when the latter asked some days ago to be briefed about the general--and not at all satisfactory--situation in New Democracy.

Alphabetically, the 16 people on the list are: Evangelos Averof, A. Adrianopoulos, G. Varvitsiotis, St. Dimas, Milt. Evert, Ath. Kanellopoulos, Sot. Kouvelas, St. Manos, I. Boutos (independent), I. Palaiokrassas, Sot. Papapolitis, G. Rallis, And. Samaras, K. Stefanopoulos (president of DI.ANA. [Democratic Renewal]), Tz. Tzannetakis and Evth. Khristodoulou (Eurodeputy).

According to data accompanying the "list of leaders," of the 16 candidates, or presumptive candidates, only five are "group leaders." In other words, they have at their disposal a group of deputies, or can assemble a group, under certain presumptions and conditions. (Mitsotakis' group, which includes eight to ten deputies, is not included in this assessment. The ND leader's staff is interested mainly in keeping undiminished the power of the deputies who are "loyal" to the leadership and do not participate in rebellion if they are not convinced they are on the winner's side.)

The strongest group is that of Evang. Averof, which is believed to number 12 to 15 deputies and another five to seven "sympathizers." The former ND leader is careful to maintain constant contact with "his deputies"; he gives them instructions for a common stance on big intra-party issues and, in general, keeps his group organized and in a state of readiness.

The group second in power has coalesced around Kostis Stefanopoulos. Aside from the nine deputies who deserted with him, there are another seven to eight "sympathizers" who are the bridge of communication between Democratic Renewal and New Democracy.

The core of G. Varvitsiotis' and Milt. Evert's groups is no more than three to four deputies. Under certain conditions, however, their force can be increased significantly since these two cadres are considered the most probable "political heirs" of Evang. Averof (G. Varvitsiotis) and G. Rallis (Milt. Evert).

Estimations and calculations relating to the grouping of "pro-Rallis" deputies are more difficult because, since the moment he lost the ND leadership after the 1981 elections, Rallis has stopped being actively interested in maintaining influence in the Parliamentary Group.

Nevertheless, Mitsotakis' staff is carefully studying the tendencies beginning to be formed in the proceedings of recent weeks, and it is finding out that Rallis would muster the largest share of trust and tolerance if the party's cohesiveness were to suffer new wounds.

But such a possibility does not immediately trouble the present ND leader's entourage for the following reasons:

First of all, because the "Rallis solution" collides with the fierce opposition of the Averof group. And in the political arena, the dispassionate tolerance of the majority is, as a rule, subordinate to the forceful reaction of a minority. Second, because G. Rallis not only is not inclined to "negotiate" any "solution" whatsoever with the Averof group, he also declares to the deputies who visit him that only with a carte blanche party authorization would it be possible for him to again assume a leading role.

The recent effort for a Rallis-Averof rapprochement was made by many deputies in view of the filling of New Democracy's Political Council. Their aim was specifically to radically recompose this highest--but atypical--party organ so the ND leader would be "surrounded" by those considered top cadres (G. Rallis, Evang. Averof, I. Varvitsiotis, Milt. Evert). In such a case, the Political Council would be turned into a board of directors, with Mitsotakis the "first among equals," but also with the majority against him....

Naturally, the last person to wish for such a recomposition of the Political Council was ND's present leader who would be unable, however, to react if the party's top cadres expressed the desire or demand to participate in this party organ.

This upgrading of the Political Council, according to the testimony of the deputies who were mediators between Averof and Rallis, appeared to fail at the beginning of the week when the last contacts occurred, mainly because of Rallis' categorical refusal to participate on the board of directors.

9247

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POLITICAL

GREECE

LEFT SAID TO EXERCISE 'IDEOLOGICAL HEGEMONY'

Athens TA NEA in Greek 16 Oct 85 p 6

[Article by Dimitris Rapakoulias, Athens University professor and former general secretary of the ministry of research and technology]

[Text] The Greek Left is not passing through a crisis. Anything but. Whatever component of it you take (socialist, traditional, center-left, unaffiliated, etc.), all are going through a fat-cow period in comparison with the past.

The greatest part of the Left wields the power today or participates in exercising it, in one way or the other.

But, even more, the Left at present exercises ideological hegemony. Not because it controls the principal means of mass communication (radio and the largest share of the press). The phenomenon is deeper. It is enough for us to observe that it is now hard for you to find a person who would dare to publicly defend social or biological inequality, individualism against collectivism, overzealous devotion to religion, anticommunism, or the need for vultures and foreign protectors.

You think, however, that the Left is not satisfied, that it considers all these things little, superficial and ephemeral. Typical of such a climate is the fact that some people continue the idle talk about a "crisis," and a "renewal," with all the same conditions of the 70's. Or others' demand for a return to the purity and orthodoxy of principles.

Nevertheless, the political situation, and the Left consequently, changed quickly after 1980. For most people, the Left has lost the hero's halo. It is responsible for the small and large problems and successes, both for the FEC and for tomatoes and oranges.

Classic Relation

The intense, sentimental bond of the people of the Left with its parties and personalities is being turned, little by little, into a classic relationship between a government (or candidates for government) and voters.

There is also something more disturbing than routine, and the cadres' and adherents' feelings of dissatisfaction and perplexity. It is the possibility of the

Right's holding 41 percent of the Greek people "encaged" despite the political crisis it is passing through and the lack of a noteworthy leader.

So we are living with a paradox: a politically and socially powerful Left on the one hand, and a lack of an ideological range and reserves on the other. If one discerns a "crisis" in the Left, it will have to be looked for here.

It is normal. The Left had never gotten near the state power. It had worked out middle-term and long-term goals, but it did not know the specific problems, nor the possibilities and mechanisms for solving them. This difficulty became more acute because it was necessary for a block of power to be formed where the middle strata, parasitic in their majority, dominate; strata fomented with the Right's abuse of power, accustomed to demagoguery and easy solutions, without social and professional traditions.

Reality always outruns ideology. It is necessary to close the gap by coordinating ideology to the new reality.

Lost Time

This is the only historically significant "renewal." All the others--for a return to the roots of the past (irregardless of where we put them), for a revolutionary transcending or icy indifference for the government--are lost time. Not only because they do not correspond to the expectation of the people of the Left, but also because they cultivate in the cadres themselves intellectual laziness, psychological stinginess and disillusion.

Let us take syndicalism as an example. Returning to a position of automatic "opposition" against the government, or projecting maximalist demands, is no way out of its present problems.

Philosophic Extensions

The issue of the aggiornamento [bringing up to date] of the leftist ideology has, of course, important philosophic extensions. Several urgent matters, however, which the governing experience places before us, are:

1. Clarifying the terms imposed by the objective (mainly economic) conditions.
2. Fighting imitative consumerism as a model for living.
3. "Frugality" as a practically necessary and morally acceptable policy if accompanied by measures for social justice.
4. Syndicalism which does not have the government as an automatic adversary, which participates in making decisions and which has a responsible position on the economic health of the enterprises.
5. Working out an industrial and technological policy in realistic frameworks, but one which is at the same time competitive internationally.

It may be objected that such an effort to apply leftist ideology to reality empties socialism of its contents--not frees it simply from the fat which oppression, inaction and demagoguery have accumulated for many years.

There remains as ever its core, which is composed of the continual effort for: Broadening the areas of freedom and creation; social justice and welfare: de-commercializing the basic needs of man; and participation, responsibility and planning.

They Undermine Power

Conversely, it is refusing to apply the ideological reason to reality, it is the manifold anachronisms, orthodoxies and party impermiabilities, which day by day undermine the Left's power today and lay the carpet of neo-liberal "counterrevolution."

9247

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POLITICAL

GREECE

NEW 'TROIKA' REPORTEDLY RISES TO POWER WITHIN PASOK

Athens I KATHIMERINI in Greek 10-11 Nov 85 pp 1,3

[Excerpts from an article by Nikos Nikolaou]

[Text] The New "Troika"

With regard to the new distribution of power within the PASOK and primarily in the government, economic circles have been informed that it is taking shape as follows:

1. The Ministers to the Prime Minister, of Foreign Affairs and of the National Economy Messrs. A. Tsokatzopoulos, Agam. Koutsogiorgas and K. Simitis constitute today the strong troika which decisively influences the premier on the one hand and, from the standpoint of mentality and working style, is on the other hand the expression of the government's new orientations, internally as well as outside. (Of course not before Mr. Koutsogiorgas was first taught that "silence is golden"!). As a member of the press maliciously commented: "The Jacobins have been given their discharge papers and have been replaced by the Bonapartists who in fact, as became apparent from the warmth of the talks with the archbishop of America, have no compunction about becoming Jacobites!" [Pun on the archbishop's name: Iakovos (Jacob)].

Thus, today the so-called "German" team, whose leader is Mr. Tsokatzopoulos and which, following the July reshuffling, controls the entire economic sector and particularly public enterprises and organizations and more recently, through Mrs. Vasso Papandreou, ones in difficulty as well, is all-powerful in the government. This is the most strategic branch of power, which not only lends influence but also makes it possible to establish the nomenklatura in accordance with not only the interests of the party but also those of the leaders' team.

It should be noted that in the past two years a silent but ruthless war has broken out for the control of that sector, which finally ended in July, with Mr. Ger. Arsenis' crushing.

Mr. Stelios Panagopoulos, the chairman of the National Bank who keeps his distance from that team by strictly confining himself to a technocratic framework, is also all-powerful today. Not only because of his unshakable personal friendship with the premier but because the latter appreciated the fact that he had warned him since 1983 about the direction the economy was taking.

Mr. Panagopoulos' predictions and evaluations were triumphantly confirmed and neither can Mr. A. P. [Andreas Papandreou] be unaware that the chairman of the National Bank enjoys the trust of the market. This situation explains the profuse funnelling to the press, from well-known "Jacobin" centers of disinformation, of articles attacking Mr. Panagopoulos. Just as the same climate pervades some "news" concerning Messrs. K. Simitis and Y. Pottakis. It is obvious that it is not individuals who are the ultimate target for such attacks but the new economic policy.

2. The team of advisers which had flocked to Kastro and which, with Mr. And. Livanis at its head, also gave its support to the technocrats' team and was characterized by the press as the "Americans," is clearly on the wane and its influence on Mr. A. P. is weakening. The premier blames them for the mistakes in the economic policy and above all for the unfortunate choices of individuals who held responsible positions in public enterprises and organizations, ones in difficulty, etc.

3. The premier's son is becoming more active politically. Economic circles have noted with interest that the deputy minister of culture is shedding the image of a hard-core official of the new Left and, grasping the message of the times but also his father's needs, is shaping the profile of a moderate and democratic young leader. In yesterday's issue of the English language weekly magazine GREECE'S WEEKLY there is an interview with Mr. Georg. Papandreou in which he says at one point:

"...I believe that finding a common ground is a start for a number of common points on which all parties can come to an understanding. I don't say that we will agree on everything. Clearly there will be differences. Otherwise there wouldn't be different parties either. But, on the other hand, there are also fundamental points on which we could reach an understanding or even agree that we disagree, something that is needed in Greek politics. Our political life in Greece often likes to color itself in black or white. I believe this is something we must outgrow. I believe we can outgrow this through a serious dialogue in which all sides of Greek society will take part. Such a dialogue can only reorient our efforts as politicians to tackle the average citizen's problems and not just to score points over the other party. Dialogue is the direction Greek politics should take if it is to mature and contribute to overcoming the problems Greek society faces."

Mr. Arsenis' Position

4. After this noteworthy and hope-inspiring transformation of Papandreou the son, there remains enough leeway in the left of the PASOK for the former minister of the national economy to emerge as a leading figure. Besides, Mr. G. Arsenis has already taken a first and significant step in that direction with his speech in parliament after midnight on Tuesday.

Clearly it was a very daring step which took by surprise all those who expected Mr. Arsenis to wait in silence for Mr. A. P. to remember him again in his magnanimity. The former minister not only said that governmental policies were veering toward more conservative directions and at the workers' expense

but, adopting all the scepticism and argumentation of the traditional Left, he linked this shift to outside influences, obviously alluding to the Americans and the EEC.

Why did Mr. Arsenis decide to make this risky speech? Two interpretations are given:

According to the first, it is a calculated move agreed upon from on high, aimed at preventing the dogmatic elements of the PASOK from trickling toward the traditional Left. Rather than having those elements leave and, being outside of parties, be exposed to the erosion of the two KKEs, it is better for them to vent their feelings through Mr. Arsenis.

According to the second, the former minister, who has not yet overcome his justified bitterness, was pushed to this desperate move by his close entourage which has reason to be displeased by the treatment he received at the hands of Mr. A. P. This second interpretation, which appears also to be the more correct, means that Mr. Arsenis' political future is rather uncertain, because it is obvious that between the two KKEs and the PASOK there is no survival room for any ambition.

12278

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POLITICAL

GREECE

DIVERGENT FACTIONS SEEN EMERGING IN KKE (INT)

Athens I KATHIMERINI in Greek 26 Oct 85 p 1

/Text/ The discussions that have begun within the KKE (int)--not just in the Central Committee and its organizations, but also in the broader area of its ideological and political influence--has a long history and it appears that, this time, they will also go very far. All the points and problems that had come up during the KKE's breakup in 1968 are resurfacing. Under reconsideration are not only the policies that the KKE (int) has followed since the split, but also the party's very nature, its reasons for existence, its class orientation, its organizational structure, and finally its very name.

From the published articles and the available information, it is clear that two main factions have emerged, at least among the upper level ideological leaders:

The first one, whose apparent leader is Mr Banias, believes and argues that the party has been unsuccessful in its orientation as a sensitive communist party--even though it has been steadfast and brave--because of its organizational weaknesses and its lack of clear and unshakeable political as well as ideological boundaries vis-a-vis both PASOK and the KKE. The supporters of this faction believe that the KKE (int) should continue to be a communist party as far as its class orientation and organizational structure are concerned but that, as opposed to the KKE, it should be renovated in its perceptions and methodology with a radical approach to social and political problems.

The other faction, whose leader is the party chairman, Mr Kyrkos, believes that the KKE (int), being the product of a breakup has already completed its mission and cannot develop further so long as it continues to address itself to, and work within the area of the 'traditional communist left,' where the KKE has definitely established its presence.

Essential Changes

The more complete and simultaneously radical development of the views of the second faction belong to the relatively younger members of the party who came from the Lambraki Youth, such as the director of AVGI

Gr. Giannaros, and Aim. Zakhareas. In his speech, Mr Giannaros maintained that the KKE (int) should dare to bring about concurrent changes in three areas: in the strategic conception and policy, in the organizational structure and operation, and finally in the character and name of the party. This formulation has been presented as the most thorough expression of the disposition and perceptions of a significant segment of the ideological leaders of the party. It is founded on a radical approach and analysis of the present social and political conditions.

No one can predict which faction will prevail at the party congress, which is to take place in early 1986. One thing, though, is certain, on which both sides agree: it is almost impossible for the KKE (int) to continue to exist and function under the same conditions that have prevailed during its 17-year life.

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POLITICAL

000100

POPULAR ATTITUDE VIS-A-VIS ECONOMIC ANALYSIS

Athens TO VIMA in Greek 3 Nov 85 p 15

[Article by Nikos Dimou: "The Lady Will Be Late..."]

[Excerpts] So, we are all waiting for the new measures, which will bring the Recovery. And while waiting, we are doing everything in our power so that it will never come. We strike, we quarrel, we over-consume, we are sending foreign exchange abroad. Everyone for himself.

And will Recovery arrive?

I can assure you that it will be difficult. Because it is not the measures, no matter how clever they are, that will bring the Lady [Translator's note: "Recovery" is a feminine word in Greek]. Her arrival depends on us. And as for us, with our attitude, both yesterday and today, we have already voted against her.

We have voted against her once and for all. We have buried her. And with our actions, we are putting another nail in her coffin every day.

Recovery means that we must understand our errors. Have you seen anyone doing just that?

From the government down to the last worker? The bill is presented to us and we refuse to pay it. No one wants to admit he has done wrong. Everyone wants to shift the blame to someone else: "Let him pay!"

Recovery entails work. Did you see anyone asking for an extension of working hours? Have you heard anyone admitting he or she is not working enough?

Finally, recovery means--above all--investments. The only candidates for this must surely be the inmates of an insane asylum. Because no sane person would dream of investing in Greece.

Since this last sentence seems absolute and dogmatic, I hasten to specify that I am speaking as a person who has direct experience of enterprises (the one thing with most politicians, economists, reporters, and bureaucrats is that they have not sat in an entrepreneur's chair). Therefore, each investment (they say) requires a) a favorable climate, b) clear-cut game rules, and c) the prospect of earnings.

Of these, nothing exists in Greece today, and nothing can be created tomorrow by legislation. The climate (public finances, banks, public opinion) is deeply antidevelopmental. The rules of the game are changed every day. As for earnings, ask those honest businessmen....

Whoever has not invested in Greece does not know what a balancing act on a stretched rope is (without a safety net). Every day dawns in a different way. Bureaucracy is nightmarish. Whoever has not asked for a loan from a Greek bank does not know the meaning of begging.

So, no logical person (unless he or she suffers from masochistic tendencies) will entrust their precious funds to such a system. Especially if, a few meters down the road, one can find the glorious field of the Greek para-economy, where they can, without labor and without taxes, double their income every year. Even if one does not do anything, interest paid outside the bank interest is 40 percent a year--and no taxes paid. (This is natural, since banks do not do what they are supposed to do.) The smuggling of foreign currency (the sector of the Greek economy with the highest circulation of money) offers a glorious future.

But perhaps you are hoping that the measures will change the framework and the rules and the conditions! All right, they will at least try. WHO WILL BELIEVE THIS GOVERNMENT? This government that was unreliable since its formation? Which again recently gave proof of being two-faced? At least, the para-economy has a sense of honor and keeps its word. The economy does not!

But you will tell me: How about the rich, the capitalists? Of course, they do exist. But they are not those you think. People have seldom become rich in Greece by adhering to the official rules. Those who become enormously rich are the magnates of the para-economy. The sheikhs. Those who are granted favors. The usurers. The smugglers. And--of course--those among the "officials" who unofficially played two games at the same time. The industrialists who directed their loans, not into their own industries, but into the para-industry. The shipowners who earned more from smuggling than from their ships.

Naturally, all those will say that in Greece, the para-economy constitutes legitimate defense. But their own "investments" do not help the people at large. We need those others, those honest, taxable investments....

However, I am afraid that these will be late in coming. As will the Lady Recovery.

/9365

CSO: 3521/39

POLITICAL

GREECE

BRIEFS

AMBASSADOR ANDROPOV'S CONTINUED ABSENCE--According to all indications but also to relevant information, the Soviet ambassador to Athens, Mr. Igor Andropov, will not be returning to Greece. Mr. Andropov's recall to Moscow does not appear to be connected to the revelations made by Mr. Sergei Bokhan's subordinate in the U.S concerning the activities of Soviet spies in our country. The recall has more to do with the deep cuts in the diplomatic service as well as in the KGB being planned by the new leader of the Kremlin. Mr. Andropov left Athens shortly before Bokhan's escape took place and he has not come back yet. He has served in Athens for less than two years. Counsellor Mr. Vladimir Pushkin, who has been in Greece since November 1980, serves as charge d'affaires. [Text] [Athens POLITIKA THEMATA in Greek 25-31 Oct 85 p 10] 12278

PAPANDREOU'S PRESIDENTIAL VIEWS--It is with a great deal of interest that public opinion and political parties try to fathom the premier's intentions regarding the revision of the articles of the Constitution. And this because, as time passes and the situation at home worsens, rumors that Mr. Papandreou will imitate his predecessor, Con. Karamanlis, and shift to the presidency of the republic are multiplying. If the leader of the PASOK finally makes such a decision, then the whole revision process will have to be abandoned, as Mr. Papandreou would not be inclined to shift to a presidency whose prerogatives he himself will have curtailed previously. However, the fact that the presidency of parliament (with the blessing of the government naturally) has set, in principle, the opening of the relevant debates in that body for the end of February is not totally devoid of value. If, of course, they do take place in the end... [Text] [Athens POLITIKA THEMATA in Greek 25-31 Oct 85 p 10] 12278

'FORMULA' FOR U.S. BASES--Kastri, the government and the pro-government press are primed for the campaign to persuade public opinion that American bases will not be closed at the end of 1988 as Mr. Andr. Papandreou so provocatively and pompously announces from time to time. A few days ago the ambassador in Greece of a big Western nation, in a discussion he had, in fact even claimed that a "formula" had been found which will be dished out to the people. Who will be told that out of the 5 or 6 American bases only 3 will remain and thus the government will be able both to continue cashing in on the annual American defense aid (which totals \$505 million today) and to save appearances by saying: "See, finally out of five or six only half are left."

The Western ambassador added: "You should not forget that from 1981 on the American side has expressed its wish to shut down the Ellinikon auxiliary airport base (7206th Support Base), since it was superfluous. I believe that you grasp very well what the Greek government has in mind..." the Western diplomat concluded. [Text] [Athens POLITIKA THEMATA in Greek 25-31 Oct 85 p 10] 12278

ND VICTORIOUS IN STUDENT ELECTIONS--The results of yesterday's elections to name the new 15-member student councils, which were held in the nation's 2,500 high schools and junior high schools, capped the Student Independent Movement's (MAKI) triumphal success. MAKI is making visible progress--in comparison to the seats it had won last year--and controls the majority of the 15-member councils. The 650,000 male and female students who came to elect their representatives in the coordinating organ of their school showed their preference for MAKI, which has inspired student youths to accept politization and reject partisanship. According to results from 365 high schools in the whole of Greece, the faction leaning toward the ND garners a 55.32% share and holds 3,029 seats out of 5,475 in such schools. The other factions win: PAMK [Panhellenic Militant Student Movement] 1,365 (24.43%), KNE [Greek Communist Youth] 773 (14.12%), Rigas Ferraios 40 (0.73%), independents 241 (4.4%), miscellaneous 11 (0.2%). According to results from 80 Athens schools (1,200 seats): MAKI 616 seats (51.3%), PAMK 265 (22%), KNE 219 (17.15%), Rigas Ferraios 5 (0.42%), independents 74 (6%). Thessaloniki (in 32 schools, 480 seats): MAKI 285 (57.4%), PAMK 92 (19.17%), KNE 66 (13.75%), Rigas Ferraios 10 (2.08%), independents 27 (5.63%). In the rural areas (out of 253 high schools, 3,795 seats): MAKI 2,128 (56%), PAMK 1,008 (26.5%), KNE 494 (13%), Rigas Ferraios 25 (0.6%), independents 140 (3.6%). [Text] [Athens 1 VRADYNI in Greek 23 Oct 85 p 7] 12278

DI-ANA CRITICIZED--The "Democratic Renewal" gained nothing with its announcement of two days ago, in which it launched in harsh tones a personal attack against Mr. Mitsotakis. Accusations of "dishonesty," "deceitfulness," "political fraud" do no credit to the one who hurls them. Mr. Stefanopoulos, who has not appeared in the past to be ruled by passion or pettiness, will have to control his overenthusiastic friends, and advise them that it would be best for them to use their rhetorical skills in condemning the PASOK, whose policy justifies the severest criticisms. More regard, therefore. And more caution in the choice of adversaries. This, of course, applies also to the ND. And this is what the millions of people who voted ND on June 2 demand. [Text] [Athens POLITIKA THEMATA in Greek 18-24 Oct 85 p 7] 12278

POSSIBLE PASOK LEFT WING--/Mr. Yorgos Yennimatas/ has been convening repeated conferences with officials of the party machine lately. The topic under discussion is /the formation of a semi-official PASOK left wing/ along the lines of Socialist parties of the West... [Text] [Athens MESIMVRINI in Greek 19 Oct 85 p 7] [Passages enclosed in slantlines printed in boldface] 12278

SILENCE ON BOKHAN AFFAIR--The government would prefer the Bokhan case to be viewed as closed...and left to be forgotten in the newspapers' archives. The matter of sending a special investigating magistrate to Washington seems to be quietly left to the [Greek] calends. A lack of enthusiasm which seems to

stem from the premier's very office. In fact, according to some information, the premier's diplomatic adviser, Chr. Makhairitsas, who is travelling today to Washington, will ask unofficially for American acquiescence to shelving the whole matter. [Text] [Athens MESIMVRINI in Greek 19 Oct 85 p 7] 12278

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POLITICAL

NETHERLANDS

SURINAMESE RESISTANCE RESPONDING TO ASSASSINATION FEARS

The Hague WEEKKRANT SURINAME in Dutch 17-23 Aug 85 p 1

[Article by "one of our editors"]

[Text] Rotterdam--In recent days the Surinamese Liberation Council has set up its own guard service for its members after reports that a hit squad has arrived from Suriname with the assignment of getting rid of members of the Surinamese resistance in the Netherlands.

Council member Glenn Tjong Akiel informed journalists that this had been done because Dutch legal authorities had failed to protect the members of the Council. When asked, the Police said that because of the shortage of police manpower, to which is added the fact that this is vacation time, it was impossible to guard each member of the resistance permanently. Such protection has been provided for Council Chairman Henk Chin A Sen and for Rudolf Jankie, chairman of the Suriname Democracy and Human Rights Foundation, who are reported to be the first targets for attack. The hit squad is said to have arrived in the Netherlands via Brussels.

Seriously

Tjong Akiel said in a radio interview that he takes the reports seriously. He wondered whether the fact that the members of the team bore diplomatic passports was really reason enough for Dutch legal authorities to take no action. According to him "this is the umpteenth time that the criminal character of the regime in Suriname has been revealed." He pointed in this connection to the recent attempted murder in Rijswijk.

Legal Order

Replying to the question of whether these developments would not be reason for the Liberation Council to abandon its strategy of nonviolence, Tjong Akiel said: "We have always stated that we adhere to the Dutch legal order. We know that our followers see things differently. We do ask ourselves more and more how long we will still be able to maintain that point of view."

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POLITICAL

NETHERLANDS

VVD'S NIJPELS ON VVD'S ROLE IN COALITION, PROSPECTS

Amsterdam DE VOLKSKRANT in Dutch 21 Sep 85 supplement p 3

[Article by Nico Goebert and Hans Goessens]

[Text] We don't have to worry. Gaining one seat more per month does not have to be an impossible task--so, looking at the opinion polls, it is Ed Nijpels. "The influence of VVD on policy has never been greater"--a fact about which he is also convinced. And what does he say when Wim Meijer (PvdA) contends that Lubbers is keeping Nijpels in the dark? "Let's be happy that we have a prime minister who can carry out the policy that well."

With the elections in view the VVD party leader shows 'the constitutional road to euthanasia,' by saying: make it a free issue. He warns the CDA: choosing the PvdA will be fatal. An interview by Nico Goebert and Hans Goessens.

The funny and witty jokes have stayed with him. The young VVD party leader shoves forward in his seat, and holds up a graph taken from the Social Affairs Ministry's income memorandum. "To me this will be interesting to the readers of the Volkskrant." He poses for the photographer for several minutes, his finger pointed at the unclear dots and little lines indicating how much better off minimum wage earners have become, financially speaking, over the last 10 years despite everything, while middle and higher income wage earners have had to pay heavily. At the end of the interview he says selflessly, "My picture can be a bit smaller, as long as the graph is large in the newspapers."

Nijpels loves a joke, but the open mindedness and boldness with which he faced his voters and especially his coalition partner the CDA in the beginning, have disappeared. He formulates his thoughts carefully, his eye sharply focussed on the cassette recorder. The man who received the greatest election victory in the history of the VVD in 1982--a 10-seat gain--has learned that: governing with the CDA is no joke, but rather an almost daily power-struggle which you, the smaller coalition partner, are doomed to lose.

The opinion polls consistently point to a significant VVD loss; about six to seven seats. This number is exactly the number that the coalition is short at the moment, in order to maintain a slight majority and to stay in power after May 1986. The CDA is holding steady at the present number of chamber seats.

...as defends the cabinet's policy with verve and, as the CDA's leading influence, attracts an important part of the VVD's newly gained following. The better educated and better paid voters in the South--the voter population for which the Roman Catholic candidate Nijpels in 1982 especially made his name--will have significantly less reason next year to be unfaithful to the VVD again.

Next year blessings: The VVD's contribution to the success of the policy over the past years, benefits the CDA, the coalition partner. In the beginning Nijpels tried to maintain the VVD's own image by holding to a strategy of restraint: that is emphasizing VVD party positions in order to sustain VVD input in any negotiable form when unavoidable compromise was made.

At first this tactic seemed to work, but in the end when a prestige battle ensued over a mere 75 Dutch guilders in tax deductions for a two-income family, this tactic was no longer understood by the party and its followers. The quarrel between the high level VVD functionaries Smit-Kroes and Vonhoff over the PTT move to the North did not sit well with the predominantly older VVD members. And the part that Van Aardenne played in the RSV affair plus Nijpels' strenuous defence of the discredited Deputy Prime Minister, were heavily criticized politically by the CDA.

Yet, deputy party chairman Wim Meijer's analysis of Nijpels' position in the *Algemeen Post* 2 weeks ago was right on the mark. "Lubbers is keeping Nijpels in the left. And he doesn't even need both hands, he does it with his left pinkie. (...) The point is, that Nijpels has to present a kind of leadership to the coalition and to the party which shows that after internal deliberations within the party he can make it clear to the coalition that he has taken a position and, whatever happens he is not going to move from that position. (...) What has happened and in fact what is always happening in the Dutch political process is that the CDA seeks to destroy the identity of its coalition-partner."

Meijer: "This is a transparent effort by Meijer to get the VVD riled up and to draw it out in the hope that in this way major conflicts will erupt between the CDA and the VVD. Nice try, but we will manage our own strategy."

Nijpels was forced to announce this spring that the current political year would be a quiet one, sharply limiting his own area for maneuvering. He is now sticking to that line, and doesn't appear to have plans for causing upheavals in the coming months. The jump into the unknown, which soon might prove to be fatal for Nijpels himself, is explained in somewhat more detail:

Nijpels: "When you look at the VVD position in this cabinet, then you should look at the message with which we entered the 1982 elections. That was a clear-cut message, but we thought it was necessary. If there is one party at present that can look the voters straight in the eye, then that is the VVD. (...) the influence of the VVD on policy-making after the war, has never been as great as in this cabinet."

Question: Then something different is apparently being experienced by the cabinet according to the opinions polls of last Wednesday, given the great changes in the cabinet.

Nijpels: "You expect that, when you are the smallest coalition-partner and the prime minister is not a member of your party. Look at the first Van Agt cabinet, when we had a deputy prime minister--Hans Wiegel--who was excellent, and was in the political limelight. In 1981 we had an enormous loss of some 14 seats shortly before the elections. Now we are facing a loss of only 5 to 6 seats. After all that we have gone through, we can't be unhappy about that. Moreover we still have 8 months to go."

Question: It is Lubbers' fault then, that the VVD is not doing so well.

Nijpels: "In no way Lubbers' fault. Let's be happy that we have a prime minister who can carry out the policy that well. The VVD has to accept the fact that he profits a good deal from what the VVD does. That is annoying, but we mustn't quibble over that. As far as the policy is concerned, Lubbers has been able to carry it out only with the support of the VVD."

It is annoying that Lubbers profits, but we mustn't quibble over that.

Nijpels: "Look at nuclear energy. The CDA stated in its program: no nuclear energy plants. Those are now indeed being built. Take the issue on linking wages, benefits and the salaries of government employees. At the time the CDA position on the issues was unclear. The linkages have disappeared. That is not something to be proud of, but economically it couldn't be sustained any longer. Take the cruise missiles. There again the VVD has gotten its way to a significant degree. Look at the fight against crime, more funds have now been made available to fight crime. In short, causes that we supported for years have now been translated into policy."

Nijpels: "The prime minister may take much of the credit, but the purpose of the coming elections is not to determine which one of the two coalition partners is going to be the largest but rather to jointly get a majority vote again."

Question: If the influence of the VVD is as large as you say it is, why do we still not have an Equal Treatment Law?

Nijpels: "The VVD's view on that is perfectly clear. We purposely took the initiative to urge the cabinet to move rapidly on this bill. But when ideological matters are involved, then the power of cabinet numbers comes into play: eight CDA ministers versus six VVD ministers. That ratio plays no role on socio-economic matters."

Question: But tax reduction, which the VVD promised in June, didn't come about; despite the VVD's great influence in the cabinet.

Nijpels: "Yes, but what was the reason for that? In the spring there was a plan in the five corners of the cabinet to reduce the tax burden--Lubbers, aided by De Koning, was especially for it. We thought it was a good idea. That is why, following in Lubbers' footsteps, we presented that plan openly during the debate on the spring memorandum. De Korte pleaded at that time for a system of premium--and tax--relief. The cabinet stressed premiums.

Because what was discovered in the cabinet discussions was: that by lowering premiums, wages would be greatly improved. This improvement will be greater for middle income earners than we had expected. That outcome was better for us."

Question: At the cost of new premium increases in 1987.

Nijpels: "Financing the plan involves risks. Even though macro-economic research indicates that at present the financial situation in 1987 cannot be predicted. It is not definite that premiums have to go up again. A number of things still have to happen: continued reductions in social security, a decrease in the number of unemployed, the reduction in child-support premiums, the effects of the fight against corruption and fraud, and a lower setting of income norms for social funding. With all those factors it might just be that social premiums will not be that high. If that doesn't happen and the tax burden falls on the shoulders of the citizens again, then criticism is in order. We ourselves, have made this criticism, but not on the outcome of the plan. The annoying thing is, that the accuracy of the critics becomes known only when the next budget is prepared."

Question: In the VVD's election platform the citizen is once again promised a tax reduction, while in almost every page of the Budget Memorandum one can read that there is no room for reductions in the coming years. On the contrary.

Nijpels: "It depends precisely on how you want to make up such a cabinet policy. Ruding prefers 16 billion in adjustments for the coming 4 years. But what doesn't show very clearly from his story is that important ongoing discussions are still taking place between Ruding, Lubbers and the Central Planning Bureau about the question on what exactly the effect of the cuts from the past years have had on the economy. We estimate that to be 1/2 percent (about 2 million Dutch guilders) per year. That means, with that [money], the disappointing income from natural gas can be compensated. "Ruding's 16 billion in adjustments brings the deficit down to 3 percent of the national income. We estimate the reduction to be 4 to 4 1/2 percent. There is a financial gap. Secondly, we contend that there will have to be adjustments in a number of areas. If you read what Wolfson says in your paper the VOLKSKRANT, you will see that he reacts very moderately to the cabinet's policy. He chooses some other social priorities, but then declares with the same ease, two columns further into the article, that the subsidies in housing construction can be eliminated. A PvdA-man like Wolfson also says that billions still can be trimmed from government expenditures. In short, a tax reduction is financially very plausible in the coming years."

Question: Ruding says that half of the 16 billion will have to be cut in 1987. In that year there certainly can be no mention of tax reduction.

Nijpels: "I want to say two things about that. First, I find very peculiar the PvdA's criticism that this cabinet is closing its term in office and leaving a budget imbalance behind. This reasoning is completely idiotic. Should this cabinet be held responsible in this budget for a projected budget imbalance in 1987. I do not want to be confronted during or after the elections, or in a future cabinet with the remark: the cabinet left a budget imbalance."

Nijpels: "Nobody will be able to say that. It does mean, however, that it will be even harder to form a new cabinet. A new cabinet will have a difficult task. Leaving aside all the other reasons for desiring the continuation of this condition, I genuinely believe that this is the only combination that can really overcome this hurdle. Let's be thankful that this hurdle will come at the beginning of the cabinet's term in office. Because we all know how that is. The further along a cabinet is in its term of office, the less its enthusiasm for adjustments."

Nijpels: "If we get into the cabinet again, then it will be with the understanding that we will govern for 4 years--and our experience in that respect is fairly good. In those 4 years, as far as we are concerned, there will be talk of a substantial tax reduction for the ordinary citizen. Look at the State Council's advice and De Koning's income memorandum in which great attention is paid to marginal tax scales. It is shocking that minimum wage earners are facing a 50 percent marginal tax pressure. That can go up to 110 percent between minimum and modal if you include rent subsidies and study grants."

Nijpels: "I haven't heard Den Uyl say that it is not an exceptionally serious situation. It shows again, how curious things can be. All kinds of issues on which the VVD was branded as a heretic in the 1970's can now be discussed. Whether it is about nuclear energy plants, leveling, or profits for industry. On all those issues the large parties, the PvdA included, have gone in the direction of the VVD."

Question: That doesn't apply to the plank in the election platform, which states that the gap between the lowest and the highest income earners may not be reduced and the gap between the minimum income and 80,000 Dutch guilders income will have to be increased. That is simply a hard, right-wing story.

Nijpels: "No, that is not at all a right-wing story. Nonsense, it is simply the naked reality. We see that 95 percent of the working population earns between 25,000 and 80,000 Dutch guilders, and that the difference in net income between those amounts is very small; about 40 Dutch guilders per day. Now the PvdA also says that the differences between minimum and modal may not be further increased--and in the election platform they go somewhat further to incomes of up to 60,000 Dutch guilders. That is hardly possible, because it is a question of 4.90 Dutch guilders a day."

Question: That is something different from a deliberate increase.

Nijpels: "Yes, but it is already very significant. Three years ago we were still branded as heretics. The PvdA has changed; not we. I am convinced that sooner or later discussion about the increase of income differences, with the trade-unions in the lead, will have to be dealt with by the PvdA. It can no longer be stopped. It is an illusion to think that in the coming years an income policy can be followed, which is centrally directed by the government. In the various industries, trade organizations will demand their rights."

Question: The election platform will speak particularly to people, who are working and who have a reasonable income. It remains a right-wing piece. Proposals to move in a different direction from the Polak-commission have gotten nowhere in the party council. Why is that?

Nijpels: "I reject the criticism calling the election platform right-wing, because in Dutch politics I don't know what it means to be right-wing or left-wing. To call something conservative, serves the PvdA to a great extent because they only want to bring up for discussion piece by piece, existing issues. From a party of change which the PvdA indeed was in the 1960's and 1970's, it has become a stagnant party. Because they keep wrestling with what has already been achieved. It is a fact that the time when everyone could insist on his rights has unfortunately passed, and I am not happy about that. I do want to underline this for the readers of the VOLKSKRANT."

The CDA has no choice because choosing for the PvdA will be fatal.

Nevertheless, Nijpels will not go so far in his enthusiasm for the cabinet's policy to say that the latest budget made up by this group of ministers deserves glowing marks in all areas. The VVD party leader calls it "an uncaring policy" since there is no word in the Budget Memorandum about the 250,000 people who have been unemployed for than 2 years. "That ought to be of extraordinary concern to the government, and accordingly the cabinet should make an extra effort for their sake." During the general debate in October the VVD will ask for plans to be drawn up giving this group of a quarter million people more chances for getting a job.

As far as Nijpels is concerned he doesn't mind if that plan costs money, not everything can be translated into money. It is only one item on the list that the VVD is going to present to the cabinet at that session. An amount of 50 million in extra compensation for medium and small businesses, and a similar amount to lower contractors' capital gains taxes next year, are also on that list. A 'moderate' package, Nijpels believes, when compared with the requests of his CDA colleague De Vries. Next year the CDA wants to do away with the freeze on child-support benefits and wants to moderate the increase in natural gas prices. Nijpels expects that the cabinet will meet the requests of both parties more or less equally. "Also on this point we have put a lot of emphasis on equal sharing. We have equal sharing high on our list."

Question: But does that also apply to issues of principle like Equal Treatment and euthanasia?

Nijpels: "Equal Treatment presents big technical legal problems in the area of civil law. But we have announced that we will come forth with our own proposals, and that is what we will do."

Nijpels: "The CDA party is now beginning to move on the issue of euthanasia legislation. Bokman and De Vries refuse to accept a legal ruling, but party spokesman Borgman, and now also Brinkman realize that the CDA must not block a legal ruling. Whether a bill comes from the cabinet or whether an initiative comes from the Chamber; to me it seems best to leave the participants free to decide on how to deal with this problem, and to let all members of the government parties make a decision according to their own views. We must accept Borgman's proffered hand."

Question: So, legislation is to be pushed through the Second Chamber before the elections?

Nijpels: "Yes, I think so, that is the line I am taking. Or a bill will come from the cabinet; that is the constitutional road to take. In addition, a lot of preliminary work has been done by the State Commission, so things can go reasonably fast. Or the Chamber itself will take the initiative on whether or not to broaden the Wessel-Tuinstra bill of the D '66 party which already has been presented. I think it will be very bad, if euthanasia becomes an issue in the election campaign. I appreciate the fact that Borgman doesn't want to block a ruling, while he himself has different opinions on that. I have enormous respect for such an attitude."

Question: Is the election slogan going to be: Keep enough liberals around Lubbers?

Nijpels: "I am convinced that the CDA in forming the cabinet has no choice but to form a government with the VVD again. Choosing the PvdA will be fatal for the CDA. As far as that goes, we don't have to worry that much. If the CDA should open the door to the PvdA, then they can count on switch-voting in favor of the VVD in the South even greater than what occurred in 1982. They are tied to us out of necessity. Even if we jointly don't get a majority, it will still be extraordinarily difficult for Lubbers to form a coalition with the PvdA."

Nijpels: "The CDA has begun to operate more on the right. To work together with the PvdA means an irrevocable loss of votes. When Mr Mateman, the Suslov of the CDA, again announces a change in course by saying that the CDA cannot go any further to the right, that is their business. But you can be sure that both government parties, the closer they come to the elections, will do nothing stupid."

Question: What possible coalitions remain for the VVD if the VVD majority with the CDA disappears?

Nijpels: "First and foremost, the chance for the CDA and VVD to form a majority is still very strong. According to the polls we have at present about 70-71 seats, and it should not be an impossible task to add 1 more seat each month. If that is not accomplished, then I don't see the D '66 party making the same mistake, for example, of definitely closing the door to a joint coalition with the CDA and the VVD. I won't go into speculation about forming a minority cabinet with the support of the small right-wing parties--the Staphorst variant. It is not wise to close that door, but if it would mean our giving in substantially on issues like abortion, euthanasia and equal treatment, then that is out of the question."

Question: Would you want to become minister during the next cabinet term?

Nijpels: "I can better appreciate now the attractive parts of a minister's post than before. I find party leadership, combined with political leadership, more attractive, broader and less isolated. As party leader you have more contact with the party cadre and especially with the voter. But all in all, I think it is best for political leaders of coalition parties to be either both in the cabinet or both in the Chamber. In that case you can do business

with each other on an equal level. But sitting on red velvet in a cabinet is not my great ideal. We'll see and look for what is best for the party. But I make the final decision."

Question: A big hurdle has to be overcome by the coalition: the cruise missiles. Is it one less worry for the VVD, now that the CDA leadership has come out with clear statements in the last few days about the inevitable siting?

Nijpels: "The CDA has been extraordinarily clear and comprehensible on this subject. We won't rejoice when those missiles are being sited in 1988. That is not going to be a high point in our history, but it is the inevitable result of the Soviet Union's attitude, and our loyalty to NATO."

Nijpels: "If the summit meeting between Reagan and Gorbachev results in the siting of fewer American cruise missiles, I'll hang out the flag. But it is really the height of vanity to content, as Den Uyl does, that the summit meeting could fail because of our decision on the siting. I am sure that in Geneva perhaps 10 or 15 seconds will be spent on the Netherlands, but that will be all."

The interview comes to a somewhat abrupt end, because of the announcement that "a high-placed visitor" is waiting outside the door. In the corridor outside Nijpels' office two oversized body-guards stand posted, their ears glued to a cordless telephone. The American Ambassador Paul Bremmer III has come for a working-visit with the Liberal Party leader. They are not going to get into a dispute.

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POLITICAL

NORWAY

LABOR SENIOR STATESMAN WARNS OF TOO CLOSE U.S. TIES

Oslo AFTENPOSTEN in Norwegian 13 Nov 85 p 4

[Article by Alf Seeland: "Guttorm Hansen Fears Norwegian Cross Pressure: Be Careful With New U.S. Agreements"]

[Text] "Norway must orient itself more strongly in the direction of West Europe and the Europeanization of foreign and security policy which is taking place in Central Europe. A too strong 'Americanization' of our policy, in conflict with European tendencies, could create a stronger anti-NATO attitude here at home. We must also be careful as to new bilateral agreements with the United States."

The Labor Party's foreign policy spokesman during the previous Storting period, Guttorm Hansen, gave this summation in his speech "Europe Between the Superpowers" at the Oslo Labor Society yesterday. Guttorm Hansen, who has also for many years been the chairman of the Atlantic Committee, recommended strongly that Norway tie itself as closely as possible to the detente line which is being followed by the EC countries, instead of what he called the confrontation policies of the United States. "We must not show up as a NATO member that is so dependent on the United States that we always follow the United States," said Hansen.

'Cross Pressure'

"Our mental cross today is that in most situations we share the attitudes of West European countries on transatlantic conditions of tension, while we feel that the United States is our security guarantee within NATO," said Hansen, and characterized that as a cross pressure that Norway must live with.

"That is clearly illustrated in the government's maneuver over the United States space research program and the European EUREKA project," said Hansen, who strongly recommended that we become tied to the latter.

"That must mean a strong departure from the United States space weapons program. That must also mean great care when it comes to new bilateral agreements with the United States about the defense of Norway. The more of these there are, the more we will be isolated in Europe. That must also mean a

stronger political willingness to align with the European policy of detente by supporting measures which are aimed at that," maintained Hansen.

"Europeanization" was the keyword of Guttorm Hansen's speech. He said that here at home we have never had a real debate about Europe, despite the EC issue. Our attitude is that everything is status quo in European policy, but there have been strong developments in the EC countries' foreign policy cooperation--EPS, which will gradually acquire more security policy overtones.

'Little Reality'

"Under the previous and now the current government, Norway has claimed that its view of the security policy question will be discussed under the framework of NATO. But we are now seeing that viewpoint is becoming more and more formalistic, with little reality. EPS cooperation will obviously take up security policy and NATO cooperation in its discussions, and will establish its viewpoints in favor of discussions in the organs of NATO," said Hansen. "With the new expansion of the EC, the moving of the center of gravity southward across the continent will continue," pointed out Guttorm Hansen, and he maintained that this would place heavy demands for wisdom and national unity here at home.

The former strong supporter of EC did not believe that Norway would become a member of EC for a long time yet, but he also maintained that we must not have any illusions about going much longer as nonmembers in our cooperation with the union. According to Hansen, in such a situation Norway will be faced with choices which would be very difficult and painful. "Our security policy will resist taking a position for West European attitudes in a conflict between West Europe and the United States. On the other hand too strong ties to EC could create a new conflict about Norway's attitude toward EC," said Hansen.

'All European'

The speaker, who still must be regarded as one who sets the tone for the Labor Party, expressed great interest in the models which have been established for an "all European solution." This solution, which has its strongest supporter in Martin Saeter of the Norwegian Foreign Policy Institute, assumes that the superpowers are following their own interests apart from Europe, and that "Europeanization" is a common concern of the European countries--in both East and West. In today's confrontation policies there is little indication that that is possible, said Guttorm Hansen, but he was not just pessimistic about the longer term.

9287

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POLITICAL

NORWAY

LABOR PARTY'S NEW LEADERSHIP STRUGGLING TO RETAIN CONSENSUS

Oslo AFTENPOSTEN in Norwegian 16 Nov 85 p 3

[Article by Lars Hellberg: "The Lost Generation of Leaders"]

[Text] The Labor Party today is an entirely different party than it was just 10 years ago. The new orientation is most clearly expressed in foreign and security policy. The referendum on the issue of EC marks the great divide. The result confirmed that the party leadership could no longer count on the loyalty and desire for unity which in former times was the strength of the Labor Party.

For the first time the party was, as former prime minister Odvar Nordli wrote in his book "Min vei" [My Way], "forced to accept organized divisive activity within and together with political opponents in a clear front against the party's government and approved policies." It is more correct to say that the party leadership allowed itself to be forced. The EC fight was the beginning of a generation shift, marked by security policy weakness. Nordli himself was a transitional figure.

No Leadership

Former party secretary Ronald Bye indicated in a conversation with Nordli at the end of his time as prime minister that it looked like "there was something special" about the prime minister's office. "Now and then the power was taken away from those who were placed there." Bye was wrong when he placed the blame on loyalties. Nordli was only one of many who did not exercise leadership in a critical situation.

Nordli probably got his greatest shock when he was confronted with opposition against advance storage of heavy material for the American brigade which will come to relieve us. The uproar ended as is known by the stores being placed in Trondelag instead of farther north, as was originally planned.

In Opposition

As long as the Labor Party had the power of government, the leadership succeeded in adhering to the main line of Norwegian foreign and security policy. The broad agreement on the NATO double resolution in 1979 was largely the accomplishment of the Nordli government.

But as soon as the Labor Party came into the opposition, it was ready under the leadership of Gro Harlem Brundtland to oppose the deployment aspect of that same resolution.

The security policy compromise in the spring of 1984 did not prevent those who wanted a Nordic resolution for a nuclear free zone imposed on our NATO allies from having a free rein.

This despite many of the old guard understanding full well what was at stake. The defeat on the EC issue had, however, deprived them of the ability and the desire to take the fight into the party for what they stood for.

In Nordli's case his personal ambitions, which he openly acknowledges, went hand in hand with the absence of will to govern the party and the apparatus of government. He wrote in his book, "If weaknesses in the parliamentary situation and deficiencies in the party one represents are compensated for by the exercise of personal power of the prime minister, it is my opinion that we are outside the range of the assumptions that our democracy is built on."

Others will object that idealistically motivated unwillingness to exercise power is a prescription for how to create a vacuum, which others who want to use power will rush into. A casual but multifaceted formulation by former foreign minister Knut Frydenlund illustrates what rugged terrain one encounters when the desire to govern is lacking.

"The times that I came to make a decision contrary to the common opinion of our own people were not so successful as to tempt me to repeat it," wrote Frydenlund in an article about foreign and security policy in a media society in the book "Start pressen" [Start the Press].

Red Thread

The Frydenlund quotation was casually selected, but it was not taken out of context. Considerations of gathering the party, often at the cost of broad political unity which formerly determined Norwegian foreign and security policy, ran like a red thread through everything he did as foreign minister. And it marks everything he says these days about our relationship with NATO. There is plenty of maneuvering room for those who desire "close combat in NATO" at the cost of unity in the alliance. As for the consequences of this weakness, the party's former group leader and Storting president Guttorm Hansen gives the best confirmation.

The other day he warned against "Americanization in conflict with the European tendencies." He himself recommends neither EC membership nor a break with NATO, but "a policy which strongly marks Norway's European interests."

Key Figure

He said, "That means that we must be very careful when it comes to bilateral agreements with the United States about the defense of Norway." That is part of the same situation that Hansen was a key figure when the American advanced storage issue was thoroughly fought out within the Labor Party.

Norway is not alone in finding itself under cross pressures in relation to our European allies on one side and the United States on the other. But the concrete instructions from the Labor Party, including Hansen's dream of "Europeanization," will bring us in conflict not only with the United States, but also with our European allies. They have, with footnote country Denmark as the only exception, placed decisive weight on full unity with the United States' and the alliance's negotiating strategy toward the Soviet Union.

Confirmation

The new tones from Hansen are a confirmation of the new security policy orientation which, if the party were sitting in the government position, would have taken Norway out of step with NATO. The sincere SV [Socialist Left Party] leader Hanna Kvanmo describes the phenomenon as a political miracle in her book "Derfor" [Therefore].

The SV leader's description of the Labor Party's miraculous flight of fancy puts today's security policy debate in its proper context. Regardless of what Guttorm Hansen may think, there is nothing to say about Kvanmo's "intellectual clarity."

Lost

With reference to Nordli's expressed unwillingness to exercise power (read: leadership), it is legitimate to speak of a lost generation in the transition period between Gerhardsen and Gro Harlem Brundtland. Nobody today can be in doubt about her willingness to govern. But so far she has made no attempt to stop the "new orientation." Nor has she had any help in this direction from those who preceded her.

She governed. But she continued on the broad path, characterized by party unity on controversial issues. Last fall's election result besides giving reason to believe that the Labor Party's weakening security policy credibility deprived it of the hairline margin which could have given a socialist majority in the Storting. There are also indications that today's Labor Party is trying to avoid new security policy confrontations in the Storting.

Close Combat

The way of approaching the problem for today's opposition leader is still simple. Has she, in comparison with the generation which has been pensioned,

the necessary desire and ability to take up the fight with the leftwing? Or have the divisive politicians from the EC struggle taken over the right to govern Labor Party policies? There are many indications that vice chairman Einar Forde's "close combat in NATO" is today's big fight for a new Social Democratic Party generation of leaders.

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POLITICAL

NORWAY

WILLOCH INCREASINGLY FRUSTRATED BY PROGRESSIVE PARTY STANDS

Hagen Pressured by Party

Oslo AFTENPOSTEN in Norwegian 5 Nov 85 p 5

[Article by Einar Solvoll: "Hagen Being Pressured, Power Struggle in Progressive Party"]

[Text] Carl I. Hagen has become a counter in a power struggle in the Progressive Party. He is being pressured by strong forces in his party to take a less cooperative role with other parties than he wants to. In the Storting Hagen is opposed by a fellow representative, Bjorn Erling Ytterhorn and group secretary Jens Marcussen, former Storting representative, who stand for a different political line than Hagen does.

That is the situation in the Progressive Party today according to Hagen's former group secretary Harald Ruud, who has now resigned from the party. Ruud told AFTENPOSTEN that he is afraid that the amateurish protest attitude which strong elements in the party desire can easily lead to "Danish conditions."

"What we experienced at the national congress of the Progressive Party this year, where Hagen afterward said that he had considered resigning as the party chairman, is just a ripple on the surface which shows that everything is not so pleasant within the party," he said.

Two Factions

"There are two wings in the party. First those who will work amateurishly and unprofessionally, as they did in the old days under Anders Lange, and then those who will work more seriously. It is obviously irritating that Carl I. Hagen is often voted down," said Harald Ruud.

Last weekend the Progressive Party experienced a massive walkout in Ostfold, when 100 people walked out of the party in political excitement. That is about half of the Progressive Party membership in the county. Harald Ruud

one of them. He notified Hagen about his intentions on last Thursday, and he joined the Conservative Party on Saturday--and now intends to continue as a Conservative Party representative.

Causes Unclear

Carl I. Hagen has only this comment on what is happening in his party: "I am very sorry that the members in Ostfold have decided to leave the party. I give no further comment."

The press office of the Progressive Party released a statement yesterday that a number of members in Ostfold, including Harald Ruud, warned the central directors of the party about one month ago that they would resign if the central directors did not exclude Ruud's opponent for the nomination this year, Gunnar Bjornestol. The directors, however, would not give in to such pressure, and the result has therefore been resignation, since the demand for exclusion was not complied with.

Unrest the Entire Year

All year there has been unrest in the Progressive Party. First all the fuss about the nomination in Ostfold. Then the congress in which Carl I. Hagen surprisingly was opposed, and said that he considered resigning. During the election campaign a number of central workers were moved out. The hope of more seats in the Storting failed, and instead the party lost half its seats. Carl I. Hagen indicated that he would not follow the nonsocialist parties in the Storting through thick and thin, but it was the county parties which first responded to that. First in Vestfold where they decided to break with nonsocialist cooperation, and in October Sor-Trondelag followed. The Progressive Party in Aust-Agder was also hit by disintegration tendencies. In Lillestrand the entire group of city directors resigned from the party, and there has also been unrest in Grimstad and other places in Sorlandet. In Hemsvinger the municipal directors were divided a while ago, and now the party organization in Ostfold is shaken by resignations.

In the Storting the parliamentary situation is confusing enough, and it does not make things any clearer that there is such unrest in Carl I. Hagen's own party, which really holds the balance position in the Storting for the next four years.

Hagen Denies Reports

Oslo AFTENPOSTEN in Norwegian 6 Nov 85 p 10

Article by Einar Solvoll: "Party Leadership Forms Up Around Hagen"]

[Text] "This is a description of a situation which I do not recognize in my party," said Progressive Party leader Carl I. Hagen in a comment on the statement by the resigned

former group secretary Harald Ruud. Others whom Ruud pointed out as strong personalities pressuring Hagen to take a more intractable attitude toward the other parties in the Storting are forming up around their party chairman and claiming that all speculation about unrest and divisions at the top is incorrect.

"I have just as free a hand as other party leaders, but I also need to consult with others in our party leadership so that we can stand as closely together on our views as possible," said Hagen.

"I strongly deplore that our representatives in Ostfold resigned from the party, because they could not exclude a representative that they did not like. In Ostfold there is great unrest and internal party conflict, and in another county as well--just as in other parties. But the only difference is that when other parties have problems such episodes do not attract as much attention as when the spotlight is on the Progressive Party," said Hagen.

From the UN

Bjorn Erling Ytterhorn--Hagen's only fellow representative in the Storting--has been at the UN in New York the entire fall, and came home this week.

"Disagreement in the party is just speculation. It is the fellow himself who has the problem," he said about former group secretary Harald Ruud's statements and resignation from the party. "What Ruud says is up to him. Such speculation should not be given too great credibility. He is naturally bitter because he was not nominated in Ostfold and therefore was not elected to the Storting, and could not continue as group secretary," said Ytterhorn.

About his status in the balance position, Ytterhorn said that he is very calm about it. "As a former destroyer captain in the navy, I would say that it is an unknown channel, but it is impossible to say in advance what the situation will require," said Ytterhorn, who preferred not to speculate on the possibility that the Progressive Party may come to a situation in which it would be necessary to bring down the nonsocialist government.

90,000 Kroner

Jens Marcussen--former Storting representative and now group secretary for the Progressive Party in the Storting--was also pointed out by his predecessor as one of those who "controlled" Carl I. Hagen. Ruud was paid 180,000 kroner for his job, while Marcussen "underbid" him with 90,000 kroner, so the party is getting its group secretary for half price, so to speak, and in this way Hagen "bought" his rival according to the former group secretary. Marcussen said that Harald Ruud can not know what is happening in the party, as he has not been in the Storting since the election. "I cannot criticize Harald Ruud's contribution to the party during the previous period. But I find it difficult to understand why he resigned from the party and joined the Conservatives because of a personality conflict in

the party. I thought he was of a very different caliber," said Marcussen, who stated that both Hagen and Ytterhorn still wanted him as an adviser, although they asked him to become the new group secretary after the election.

Threatening Letter

Anne Beth Moslet, one of the vice chairmen of the Progressive Party and since the election also the editor of the party newspaper FREMSKRITT, believes that the reason for Harald Ruud's resignation from the party is clearly stated in the threatening letter which he joined in signing, demanding that the central directors exclude a certain person in Ostfold. Otherwise they would resign from the party, which they now have done.

"There is no disagreement in the party leadership about the policy that we have established at our national congress after the election," she said. Anne Beth Moslet added that the Progressive Party does not want to overthrow the Willoch government. The party just wants to negotiate its way to solutions which will gain the most for the policies which the party wants to carry out, she said.

Complicates fe for Government

Oslo AFTENPOSTEN in Norwegian 7 Nov p 2

[Editorial: "Lacking Responsibility

[Text] The fall financial debate is largely characterized by the deplorable fact that for the first time in years it has been impossible to achieve a majority for the main lines of economic policy. Considering the large challenges facing the country, the financial outlook could be characterized as a monument to a lack of political responsibility. If there has ever been a need for broad cooperation to solve urgent common problems, it is in today's situation. But the Storting clearly looks otherwise at these pressing questions.

Apart from the broad compromise on introduction of the numbers game Lotto there is very little which has come out of the government's invitation to the Storting for cooperation. We will not harp on what the government should have done, starting with the exceptionally difficult situation which arose after the election. Let us on this occasion merely assert that the almost chaotic conditions that exist are a confirmation of what can happen when the problems are not attacked in time and with sufficient determination. Every cooperation must be organized if anything is to be accomplished. This is most especially the case when one is dealing with irrational political factors such as the Progressive Party and its chairman Carl I. Hagen. But now for once in the Storting the decisions will be made, and consequently the willingness to cooperate will be tested.

The three government parties, Conservative, Christian People's and Center, went into the election on a platform in which the main goals were to provide

jobs for all, to further develop the welfare society and to create security for the individual. After 4 years of nonsocialist government we have come a long way. But if development of the welfare society is to continue--as the chairman of the Finance Committee Anders Talleraas (Conservative) said at the opening of the finance debate--it is entirely essential that economic growth be maintained. It is obvious therefore that the government will not let itself be forced into administering an indefensible economic plan with increased inflation and unemployment as the inevitable result.

Since it has not been possible to establish forms of cooperation which can guarantee a majority for responsible policies in the Storting, this fall's budget negotiations must develop into somewhat of a gamble. The government must tack ahead from issue to issue, and the Progressive Party's special character as a protest and wrecking party will obviously increase the uncertainty more than anything else.

Carl I. Hagen and his party should, however, realize that they have a responsibility in maintaining political stability, so that the nonsocialist government is given the possibility to continue its work. In the opposite case the Progressive Party could erase itself from the political map of Norway.

9287

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POLITICAL

PORTUGAL

INFLUENCE OF LEGISLATIVE ELECTIONS ON PRESIDENTIAL ELECTIONS

Lisbon DIARIO DE NOTICIAS in Portuguese 11 Oct 85 p 6

/Editorial: "The Crux of the Matter"/

/Text/ The political arena is, as expected, the scene of a pitched battle this last quarter. The presidential elections return to the forefront after a short interval to elect the parliament and form the new government, despite the fact that the results of the parliamentary elections have not yet been fully digested and when local elections are still to come. Several new alternatives now present themselves for the presidential elections, in addition to those existing before the 6 October elections.

If we refer to the statements of the three self-avowed candidates for the presidency, we find that all of them consider that the results of the parliamentary elections reinforced their candidacies even more. If we do the same for the other possible candidates, those who are merely available and waiting for those circumstances that would make their candidacy viable to mesh, it does not seem as well that the elections results have significantly changed the terms of the equation through which each of them defines his posture. The results were not, however, without surprises; on the contrary, they gave a clearer indication of voter attitudes than has been seen for some time. How can this paradox be explained?

First of all, there is the fact that no one views the candidacy as emanating from a single party or coinciding with it, while all candidates consider themselves as possible representatives of a convergence of various tendencies. Mario Soares only announced his candidacy after the independents declared for him; Freitas do Amaral remained aloof from the campaign. As for Lourdes Pintasilgo, she was visibly shaken by the endorsement of the UDP /Popular Democratic Union/. Under these circumstances, it would be logical for each candidate to avoid the implications of the recent elections, however determining those implications may be. And, up to a point, they are. Because if it is hard to determine, for instance, if Mario Soares' electorate is larger or smaller than that of the PS proper, it is at least very easy to conclude that without the vote obtained by General Eanes' party, this point would not even be very important at this time. It is the 18 percent that puts the present president of the republic in a position to select a candidate, either a new or "old face," who would be able to reach the second round if he got,

for instance, the support of the PRD /Democratic Renewal Party/, or of the PCP, thus repeating in broad outline the scenario of the 1980 presidential elections.

But this is merely one hypothesis. There are several other more elaborate ones, and plenty of names to head them. For example, Gen Lemos Ferreira continues to withhold his decision until the political situation becomes more certain. Meanwhile, he blames the CDS' electoral defeat on the support given by the party to Freitas do Amaral, a candidate he considers to have, at best, a poor image, and whom he is obviously ready to replace, thus undermining those who have already declared. But at this point, there is a significant unknown factor, once again a consequence of the parliamentary elections: what will Cavaco Silva do? Will he give in to his many supporters who are reminding him in the press of the hints he gave in Figueira of planning to support Freitas do Amaral, thus trying to exceed the 40 percent barrier, which was the maximum obtained by the old coalition, but risking to open the way for another candidate who would be able, in the second round, to get the other 60 percent of the vote? Or will he dare go for a different plan? This is the crux of the matter, that will soon have to be solved by the winner of the parliamentary elections, after only a few months in office to strengthen his bet, whatever it may be. With one aggravating factor: on this decision rest not only the outcome of the presidential elections but also, possibly, the prospects of the flimsy government formed after the 6 October elections.

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POLITICAL

POLITICAL

PRD-APU RELATIONS WEIGHED IN LIGHT OF LOCAL ELECTIONS

Lisbon O DIABO in Portuguese 15 Oct 85 p 2

[Article by Jose Miguel Judice: "Walls and Roofs of Glass"]

[Text] The local self-government strategy of the PRD [Democratic Renewal Party] is clear proof of the lack of political ethics in a party that claims to have been born for the sake of such ethics. As we know, the PRD argued that it would run candidates only in those cases where the prior presidents were not good local government officials or when there was no candidate who would deserve the support of this young party, even though he has nothing to do with the "Eanists." This is why the PRD informed the mass media that it would continue to support the current chamber presidents, from militants of the APU [United People's Alliance] to militants of the CDS [Social Democratic Center Party], along with socialists and social-democrats.

But there is no truth in that story. The local self-government strategy of the PRD in point of fact is determined by the practical impossibility of being able to organize the more than 100,000 candidates because that many names would be needed to run in the chambers and parishes both inside and outside this country. Now it would only be due to a totally unlikely chance that there would be any coincidence between the places where the PRD is not organized and those where the current chamber presidents or parish board chairmen are capable and competent.

One might perhaps say that this is not so and that the PRD can do the just. Then, the thing that would happen is that the PRD would not be organized in those places precisely because, being a moral party, it would spring up where politicians are bad and it would not spring up where they are good. It is ridiculous to accept this idea but between the ridiculous and the PRD there is really nothing further to say. But not even this clever solution would save the PRD since it has already announced that it would run candidates in all district seats, something which would come off if there were another chance development (perhaps deriving from the degree of urban pollution): All of the local government officials (and all of the new candidates for local government positions) in the district seats are bad and inconsistent; those in the remote places lost in the mountains, where the PRD has no "people."

If, from this central topic of the local self-government election strategy of the PRD, we move on to a specific description of the type of situations in which the PRD would support the candidates of one coalition or the other, then we can analyze this party's political position with greater rigor in what, in the final analysis, is a way of positioning itself in ethical terms. As we know, the big issue in the local self-government elections, politically speaking, is to find out whether the PCP [Portuguese Communist Party] will lose control of local self-government power in the so-called "industrial belt of Lisbon" on the either side of the Tejo; this is important because these local self-government districts contain a very large percentage of the Portuguese population and a very strong production fabric.

Now, what seems to result from the strategic decisions made by the PRD--at least to the extent that I have been able to check those decisions out--is that the party of Eanes will in general play the game of the PCP in these local self-government districts or because they will run candidates to divide the votes of the PS/PSD [Socialist Party--Social Democratic Party] coalitions (where the APU was better able to resist the show made by the PRD) or because they will get to the point where they will support the candidate of the APU (as seems to be happening in Amadora) although outright refusing support for the democratic coalition, even in cases where illegality and despotism are strongest.

The PRD is thus preparing to try to save the APU from the almost certain risk of losing control of the entire axis from Lisbon to Azambuja (Loures, Amadora, Vila Franca) and the northern part of the Setubal council. Because it does not clearly want to show the Portuguese its strategic intention, it has decided to support the local self-government candidates of the PSD, the PS, or the CDS in those councils which, as a whole, do not mean as much as a single one of the councils today controlled by the APU.

Against all of this, experts on the PRD might say that the right to run in the elections must not be restricted in terms of advantages for some parties deriving from the absence of another party and this is reasonable above all in most cases where the PRD was the party that got the most votes, as happened in Sintra. But in cases such as this one, the question of the strategic position will come up, no matter how much the PRD would like to quibble about that situation. Indeed, to use the example of Sintra, there is every indication that the PSD/CDS coalition will be victorious there, but without an absolute majority in the municipal assembly. Would the PRD then vote for the candidate of this coalition for the office of president or the candidate which the APU will run and who will certainly be elected if he has the votes of the PRD?

For many people, the answer is obvious: Since the PRD is "a democratic party," it would not support a candidate of the APU. Now, nothing is less certain than this because--to give another example--the PRD has already announced that it would run a candidate for the chamber of Lisbon "to beat Abecassis" who could be supported by the APU and by the PS (this, as a matter of fact, is the only way in which he could win). That would mean admitting that he would be a candidate whom the APU could support, thus not directly running somebody in the country's principal chamber, since a coalition between

the PRD and the APU obviously would not be possible because the time is no longer right. But would the leader or spokesman of the PRD be so naive as to think that the APU is not prepared to elect any councilman for Lisbon if it did not, in exchange, get at least something that has a value similar to the three councilmen whom it can be practically assured of?

It has not yet been 10 days since the elections but the PRD is already beginning to reveal itself. But it would have been more ethical if they had announced, prior to 6 October, this desire to aid the APU and, in return, to ask assistance of it. Or could it be that they do not realize that, if the PCP does not have glass walls, the PRD is demonstrating that, on the contrary, it has glass roofs?

5058

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POLITICAL

PORTUGAL

MOMENT OF TRUTH FOR PRD: DEFINITION NEEDED

Lisbon A TARDE in Portuguese 16 Oct 85 p 9

[Article by Nuno Rebocho: "From Now On..."]

[Text] Getting ready for the local self-government elections, the PRD (Democratic Renewal Party) confessed in public: It has no organizational structures. This disclosure is important since it raises some pertinent questions that deserve further clarification and that introduce prospects of possible further development.

Here is the first question resulting from the PRD's confession: If it has no organization structure, what would enable it intensively to participate in a self-sustained campaign and how could it run in the legislative elections? Who would organize propaganda for it? Who would put up posters for it?

Here is the second question: Not having any organizational structure, the PRD is a body of voters with a borrowed campaign machinery. From whom did it borrow it?

It is easy to fall victim to the temptation of asserting that the APU [United People's Alliance] contributed the funds necessary for the PRD to make a strong showing during the last voting. And it may even be true--although this is not the whole truth--that the PRD vote above all was a vote against the PS [Socialist Party]. And it was inevitable for all those who participated in this rejection, both on the right and on the left, to contribute to the objective of "defeating socialism."

These questions are interesting only to the extent as to what they reveal: The PRD does not exist as a party. And it now begins the tough task of turning itself into a party, with all that this means.

A party implies local chiefs, "barons," "bosses," and it implies disputes over leadership. In other words, as of now, the PRD is beginning to turn itself into a party equal to the others, to suffer the same pains, to the extent that it progressively becomes more and more of a party that is within the system, with all of the traditional defects.

From here on in, the PRD begins to clarify itself. We are beginning to find out who is who in that party. And with that knowledge we begin to find out what it really wants, what it really advocates, where that conglomeration is headed, attractive as it is to the banquet thanks to a combination of factors. From here on in, the PRD will have a content. And from here on in, we must be alert to its growing pains by virtue of what they could mean.

So far, the PRD has not existed. It was a ghost. It was a "poltergeist" sufficient to shatter to socialist arrogance. So far, by admission, the PRD was an invention and a fluke of circumstances. But, from here on in...

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POLITICAL

PORTUGAL

COSTA BRAS EMERGES AS POSSIBLE PRESIDENTIAL CANDIDATE

Pintasilgo Reacts Calmly

Lisbon DIARIO DE NOTICIAS in Portuguese 18 Oct 85 p 2

[Text] Colonel Costa Bras announced his willingness yesterday to "run as a candidate for the presidency of the republic, within a strictly supraparty and independent context."

In the statements made to the ANOP [Portuguese News Agency], the present head of the High Commission Against Corruption said that he has in the course of recent months received "encouragement and indications of support" for his candidacy for the Belem post "from numerous personalities" whom he values highly "because of their great human, civic and political responsibilities." And he added:

"Contemplation of the current circumstances and of the very nature of the candidates leads me to consider now making myself available as a candidate within a strictly supraparty and independent context."

In the view of Costa Bras, none of the other candidates is truly supraparty and independent.

In the opinion of the high commissioner, the immediate future will demand not only greater continuity in government action, but also an atmosphere of dialogue in which the role of a president of the republic who represents everyone as an arbiter will be strengthened. And he added:

"The president of the republic should, through general or specific agreements, sponsor and make workable solutions involving the engagement of multiple parties and the various social forces." At the same time, "a greater demand for the president of the republic to serve as an arbiter will be imperative, specifically in his institutional and functional relationship with the Assembly of the Republic and the central and regional governments."

In the view of Costa Bras, "this can only be achieved if the president of the republic assumes and maintains a supraparty and clearly independent position with regard to all of the political forces."

13 December 19

Sousa e Castro Comments

In this connection, the spokesman for Maria de Lourdes Pintasilgo as a candidate, Major Sousa e Castro, told DIARIO DE NOTICIAS the following, on the subject of the new candidate:

"We believe that any citizen who meets the conditions established by the constitution may present himself as a candidate. We have here a citizen who was not really regarded as available for this type of candidacy. He will be above all valued because of the work he has been doing for some years as the highest anticorruption official. This is his outstanding characteristic."

And he added:

"We believe that there are three candidates established in the field, two of them representing parties (Mario Soares and Freitas do Amaral) and one autonomous candidate, engineer Pintasilgo, who merely notes the fact that yet another citizen has made himself available as a candidate."

Maria de Lourdes Pintasilgo, in turn, voiced the certainty of having "80 percent of the PRD [Democratic Renewal Party] votes, even if Costa Bras is a competitor." She further emphasized that it was not out of vanity that she decided to run for the Belem post, but rather because of what she could "do for the people."

Chances Assessed

Lisbon DIARIO DE NOTICIAS in Portuguese 18 Oct 85 p 6

[Editorial: "A Candidacy Which Was Expected"]

[Excerpt] His availability to run as a candidate for the presidency of the republic, which Colonel Costa Bras announced just yesterday, was predictable. From a logical point of view, he or someone else would have had to occupy the space opened up as of the time the Eanist movement failed to identify fully with engineer Pintasilgo. And Costa Bras, for reasons which are easily understood, has some advantages as compared to all the other presumable competitors for this specific role as the candidate of the PRD.

First of all, the head of the High Commission Against Corruption has already had a long career in public administration, having served as roving ambassador, purveyor of justice and minister of internal administration under three constitutional governments, before being appointed, in 1983, to the post he currently holds. Despite this professional history, his image continues to be free of any strong ideological connotations, so that he has the advantage that he does not arouse great alarm among those who might vote for him, either on the left or the right. A single feature might at this point be noted in the event he runs for office--the excellent relationship he has maintained with Mario Soares. Moreover, if he obtains the support of the president of the republic and his party, it is likely that the suspicions attached to him as one of the main adversaries of Eanism will dissipate.

This outline gives Colonel Costa Bras a reasonable position in the race for the Belem post. To the point that he might even threaten the emergence of another military candidate, General Lemos Ferreira, who from every indication has waited too long to implement the increasingly remote possibility of a candidacy providing a bridge between the PSD [Social Democratic Party] and the PRD. In fact, the former minister of internal administration seems to represent the candidate certain Eanist sectors wanted, as some even announced prior to the legislative elections, with the air of those keeping a fine surprise until the very end. He is, in addition to this, an individual who, because he is not associated with the right wing, will not cause serious problems for the PCP [Portuguese Communist Party] in supporting him, and because he is not what could be called a leftist figure either, he may attract some votes from the center and even the right wing, above all if the PSD does not in the end adopt a very clear attitude of support for Freitas do Amaral. These at least are the calculations of the theoreticians of the Costa Bras candidacy, who say that the important thing will be to beat Soares and Pintasilgo in the first round so that in the second, with an operational scenario very much like that in 1980 established, the results would again be, as they were then, unfavorable to the candidate associated with the conservative electorate.

There are however some obstacles in the field wherein other candidacies are taking shape, where this strategic base is concerned. First because there is still no certainty about the attitude the Social Democratic leadership will adopt, since to date, the only thing which can be concluded from the statements of Cavaco Silva is the clear intention to minimize the importance of the presidential elections, because of the obvious difficulty the party is having in this sector, aggravated still further after the loss of the legislative elections. And secondly, because it is equally uncertain whether General Eanes will commit himself to the candidacy of Costa Bras, at least to the extent of the commitment to the PRD, thus leaving the possibility of a split among his supporters, many of whom do not seem prepared to "drop" engineer Pintasilgo. And thirdly, because it is difficult to know whether the PCP, although it may do so on the second round, will provide support in the first, however much the party leadership, with all the ill-concealed hesitation it has indicated concerning Pintasilgo, seems to have been awaiting the appearance of an individual precisely like Costa Bras, with the recommendation of Eanes.

All of this increasing complexity, which has already minimized the likelihood of the hypothesis initially suggested, to the effect that candidates with ideological, if not party, connotations, would compete in the election, is moreover giving new impetus to the idea that the presidency of the republic should be entrusted to a supraparty body which could not possibly become identified with interests other than those of the nation. And, as is known, this is the thesis urged by the PRD, among other things because it is close to the image Eanes has always wanted to represent. However, one could wonder, following the formation of the new party, in what way its candidate would be more "supraparty" than that of the other parties. The problem which seems to correspond to this scenario for Costa Bras lies in the fact that the characteristic which works most to his advantage in this perspective is precisely that which has been the most challenged by some sectors of his

potential electorate, that is the fact that he is a military officer. And it was in this connection that the circles affiliated with Lourdes Pintasilgo's campaign, uneasy that this candidacy, seemingly an obvious adversary to combat in the same field, would be realized, launched their own defense. It should be noted that these sectors fully outlined the thesis of separating candidates from party affiliation. However, the appeal they launched for nonparticipation by the military in the presidential election immediately won support among people advocating the opposing thesis but also feeling threatened by the entry of Costa Bras on the scene. And this is the meaning of the statement read by Natalia Correia, a Lourdes Pintasilgo supporter, who gathered signatures among the supporters of Mario Soares as well as the supporters of Freitas do Amaral.

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CSO: 3542/12

POLITICAL

PORTUGAL

TV OPINION POLL SHOWS FREITAS DO AMARAL CANDIDACY STRONG

Lisbon O DIA in Portuguese 9 Oct 85 p 13

[Text] Maria de Lourdes Pintasilgo and Freitas do Amaral were the candidates for the Belem post interviewed by the RTP [Portuguese Radio-Television System] during the telethon Sunday evening. And when the results of the legislative elections were known, they already pointed to an easy victory for Cavaco Silva's PSD [Social Democratic Party].

Both Pintasilgo and Freitas do Amaral spoke of their candidacies and of the historic experience they had had, as well as the fact that they were the result of a clear choice by the electorate.

In a television poll taken at that time to establish the public reaction to the statements by the two candidates for the Belem post, the results, in no way surprising, gave the nod to the conservative candidate.

Thus 13.9 percent of those questioned expressed total satisfaction, while 27.3 percent used the term "very," making a total of 41.5 percent. The term "not very" was used by 29.1 percent, and 19.4 percent were "not at all" satisfied with the Pintasilgo statement, making a total of 48.5 percent. In view of these figures, it could indeed be said that the statement made by the single candidate for the Belem post on that occasion was not of the most fortunate sort, since according to some viewers, the program Pintasilgo set forth was characterized by confusion and vagueness.

The viewers had a different attitude toward Freitas do Amaral, with 19.4 percent of those questioned indicating total satisfaction, while 27.9 percent said they were "very satisfied," making a total of 47.3 percent. "Not very" and "not at all" were the terms used by 29.7 and 13.9 percent of those questioned, respectively, making a total of 43.6 percent.

An analysis of the figures shows that the balance was positive by 3.7 percent, an indication of the increasing support from Portuguese citizens for the Freitas do Amaral program. This goes against the indications of the first polls, which showed Lourdes Pintasilgo as the potential winner of the presidential election.

Moreover, the political commission supervising the campaign of Maria de Lourdes Pintasilgo announced that the process of legal registration of her presidential candidacy will now be launched.

At a meeting of the political commission for the Pintasilgo candidacy, satisfaction was expressed with the "high level of civic spirit" seen in the holding of the legislative elections, and the "desire for change evidenced by the Portuguese people."

At that same meeting, it was decided to launch a fund-raising campaign on 1 November, along with a program of activities calling for meetings with supporters and visits to fairs.

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POLITICAL

PORTUGAL

REASONS FOR PSD'S CHOICE OF FREITAS DO AMARAL

Lisbon SEMANARIO in Portuguese 19 Oct 85 p 15

[Article by Jose Miguel Judice: "Freitas do Amaral, the Inevitable"]

[Text] Cavaco Silva's support for Freitas do Amaral is inevitable. Any other solution would be harmful to the PSD [Social Democratic Party] and to its leader.

The only politically and strategically correct alternative for the PSD at this point in time and keeping in mind the latest development would be to support the presidential candidacy of Freitas do Amaral--and I am saying this in a strictly technical and pragmatic sense because I do not see how even those who have demonstrated militant "anti-Freitism" could think anything else. The reasons appear evident to me but I will summarize them just the same.

First of all the PSD's decision to run a candidate would entail the serious tactical inconvenience for Cavaco Silva to be "obligated" to campaign for such a person in an effort to help him to victory, against everything and against everybody. This would mean putting the administration blueprint on a secondary level and, above all, it would mean joining the fray against the other candidates who directly or indirectly control the partisan areas with a much higher degree of aggressiveness; because of the presidential election, Cavaco would hamper the specific points of consensus at the parliamentary level without which he would have it much more difficult to get legislation passed over the next 6 months.

Second, the decision to run a candidate (which, by the way, would to a certain extent hurt the strategy of Figueira da Foz) would have the result that a defeat of the candidate would turn into a severe defeat for Cavaco Silva. In point of fact, the creator is always responsible for the creature. And if Cavaco is concerned with governmental priorities, then there is no advantage for him in taking any risks.

Due to this--in third place--it "remains up to" Cavaco Silva to decide between supporting one of the current candidates (Freitas do Amaral, Costa Bras, Soares, or Pintasilgo) or to decide not to support anybody. The solution of not supporting anybody would have to be rejected outright because it does not

the very standing position of the PSD and, besides, it could have the effect of destroying the possibilities of the candidate or candidates who would be selected by the PSD. This means that it will be necessary to select one of them present since Lemos Ferreira--who is not an adventurer--has agreed to run without the certainty of getting PSD support and, due to this, he would be "the" candidate launched by Cavaco to whom I alluded above.

On the other hand, the option in favor of Quintasigo can be ruled out by the very same arguments and decision in favor of Soares is to be ruled out likewise. A decision of the current situation (Cavaco could not pull this kind of "delay" after the election campaign and this would be a decision that would reflect his actions in the administration). That leaves us with a choice between Costa Bras and Freitas do Amaral.

Support for Costa Bras would have the political significance of a coalition with "Fasism," with the further aggravating factor that it would be a coalition entered into with a candidate who is more to Cavaco's liking acceptable to the PCP [Portuguese Communist Party] than to Soares and would be in a position to manage such a coalition. If that were the case, the strategy--and, personally, I always thought that it would be--would have created the conditions for "topping up" with a more moderate candidate and would render unviable the candidacy of Costa Bras. In any case, this has been inevitable for about 2 years now, as I wrote at that time in the final issue of SEMANARIO). Support for Costa Bras would undermine the support for the strong MIA [Armed Forces Movement] connotation he would have on the terrain of the electorate of the PSD to to a perhaps considerable gain in votes, in addition to causing a split in the party: I am not alone in that I am not the only one to reject the alliance with those who would seek to destroy Sa Carneiro and his administration.

On the other hand, the decision in favor of Costa Bras is or is not ruled out, and the decision in favor of Freitas do Amaral is justified also by some other reasons. As a matter of fact, at this point in time it is the only candidacy that has been launched that enthusiastically supported the AD [Democratic Alliance] of Sa Carneiro. It is therefore the candidacy that would be accepted by the AD and the candidacy that would have the least political cost for the AD. As a matter of fact, out of all of the possibilities, support for Freitas would be the thing that would penalize Cavaco less if there were a coalition. Freitas existed already before the Figueira da Foz Congress and opinion polls and surveys prove that he has support that does not depend on any agreement with the PSD, so that Cavaco is not responsible for its launching.

But, in the fifth and in sixth place, the decision in favor of Freitas will be the decision that will give Cavaco Silva greater guarantees to the effect that, if elected, he would collaborate in the creation of conditions for the administration to function and not run the risk of being picked as the face of the Republic at an especially inconvenient moment for the country. This is not only because of the memory of the AD which, in the 1976 elections, split the two politicians. This is also true by virtue of the fact that the crisis of the CDS [Social Democratic Center Party] and the crisis of the Portuguese transition have a small bottle neck up the

idea of a pro-CDS Freitist Machiavellianism against the possibility of a phantasmagoric possibility.

In addition to all of this, there is one essential fact: The victory of the PSD was significantly amplified by the useful vote of many sympathizers and even militants of the CDS who did so because of the presidential election and because there was the (correct) conviction that a failure of Cavaco could irretrievably harm the support of the PSD for Freitas do Amaral. This means that the political content of the result of the PSD is related to this presupposition. In 1980, the PSD (expansion unknown) obtained a better result than had been anticipated because of the link between the votes in the PRD and the vote for Lanes after several months had passed. Mario Soares' refusal to support Lanes--who, by the way, had perfectly understandable and justified motives--in the final analysis sprang from the PRD (Democratic Renewal Party) and the results of 1985. The PRD is the anti-Soares vengeance of General Lanes. Nothing positive was built on the disappointment of the assumption of the electorate. Cavaco Silva detected that and, therefore, support for Freitas was also inevitable.

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POLITICAL

PORTUGAL

OPINION POLL SHOWS OPPOSITION TO APARTHEID, NO RACISM

Lisbon O JORNAL in Portuguese 11 Oct 85 p I

[Text] The overwhelming majority of Portuguese citizens oppose the apartheid regime, a poll taken by Marktest for O JORNAL concluded.

The apartheid issue has taken on dramatic urgency in recent months with the intensification of racial conflicts in South Africa, a country in which hundreds of thousands of Portuguese citizens live. This is a factor influencing public opinion and the attitudes of our government leaders toward Pretoria. Moreover, it was actually this fact which was the justification for the welcome extended to the prime minister of South Africa at that time, Pieter Botha (who is currently president of the republic), when he paid an official visit to Portugal in May of last year, despite the protests of various political sectors. The welcome extended just recently in Lisbon to the "mayor" of Johannesburg was also a polemic issue, with a unique aspect--it is not known who invited him.

In any case, the Portuguese public, according to the results of the Marktest/O JORNAL poll, appears to be prepared to understand the adoption of firm positions condemning the South African regime, without failing to take into account the sizeable Portuguese community living in the Republic of South Africa. In fact, 81 percent of those questioned indicated they were "against" that regime, and among those who said they were in favor of it (6 percent), the figure was above the average only for the most elderly.

About 50 percent of those questioned believed that in general, countries should impose sanctions on the Republic of South Africa, as a form of exerting pressure for the abandonment of the apartheid system.

The number of those defending sanctions generally showed a slight decline when the question pertained specifically to the Portuguese position.

Political sanctions are "preferred" over economic ones. There are also those who would approve military sanctions.

But, we should note, there are still many optimistic people. The majority believes that within 10 years, the racial problem in South Africa will have been resolved.

Racism

A curious and gratifying thing is that the poll shows us that Portuguese citizens do not regard themselves as racists. Only 4 percent confessed that they are, while 2 percent expressed no opinion.

In all of the tables below, the figures represent percentages.

Do You Believe That the Racial Problem in South Africa
Will Be Resolved Within the Next 10 Years?

	<u>Total</u>	<u>18-24</u>	<u>25-34</u>	<u>Age</u> <u>35-44</u>	<u>45-54</u>	<u>Over 55</u>
Yes	45	34	39	50	57	45
No	33	49	40	28	22	23
No opinion	22	17	21	22	21	32

Do You Regard Yourself as a Racist?

	<u>Total</u>	<u>18-24</u>	<u>25-34</u>	<u>Age</u> <u>35-44</u>	<u>45-54</u>	<u>Over 55</u>
Yes	4	7	3	4	2	7
No	94	89	95	95	98	91
No opinion	2	4	2	1	--	2

Do You Believe That Generally, Countries Should Adopt Measures
or Sanctions Against South Africa? What About Portugal?

	<u>Countries</u> <u>in General</u>	<u>Portugal</u>
Yes	51	28
Type of sanction:		
Economic	61	42
Political	65	71
Military	15	10
No opinion	9	7
No	34	48
No opinion	15	14

Have the Following Countries or Communities Been Concerned About Dialogue
With South Africa With a View To Resolving the Serious Racial
Problems Existing There?

	LEO	USA	USSR
Yes	46	39	14
No	25	31	42
No opinion	29	30	44

Are You in Favor of or Against Apartheid?

	Total	18-24	25-34	Age 35-44	45-54	Over 55
In favor	6	8	3	3	5	12
Against	81	77	87	80	84	77
No opinion	13	15	10	17	11	11

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PORTUGAL

POLITICAL

LISBON AREA POLLED ON MAJOR POPULAR CONCERNS

Lisbon O JORNAL in Portuguese 18-24 Oct 85 p 4

[Article by Jose Rui Cunha. "The Five Priority Issues"]

[text] Unemployment, wage payment in arrears, corruption, inflation, and crime--in that order--are the problems which the inhabitants of the area of Greater Lisbon consider to be priority issues, according to a survey conducted by Pluriteste, exclusively for O JORNAL.

Next, interview subjects mentioned issues under the headings of social welfare, education, and environmental policy.

The results, analyzed by age groups and sex, instead of by votes cast, give us a similar order in terms of priority. However, we must point out the low percentage assigned by young people (under the age of 24) to problems of education.

The thing that really worries the young people is unemployment (68 percent) and then comes the issue of wage payment arrears (39 percent). The same situation (wage payments in arrears) is more of a concern to women (50 percent) than it is to men (32 percent).

Ernani Lopes Preferred for Finance Minister

Ernani Lopes continues to be the name mentioned most frequently by the electorate to take over the area of finances; this choice is also supported by those who voted for the PSD [Social Democratic Party] and who turn out to be more inclined toward the current minister (14 percent) than, for example, toward Joao Salgueiro (13 percent). The name mentioned most frequently to replace Ernani Lopes in the Finance Ministry--Miguel Cadine--was not mentioned by the interview subjects although this indicates a low level of name recognition regarding that individual. We must above all stress the overwhelming percentage of those who "do not know or do not respond"--55 percent.

Alberto Ueio Jardim and Rui Machete are the names repeated most frequently with respect to the office of vice prime minister. Mota Amaral comes next, followed by Joao Salgueiro and Eurico de Melo. We might mention that

Marcelo Rebelo de Sousa got exactly zero percent. Here again, 55 percent of those questioned replied "Do not know."

Foreign Debt and EEC

As for the foreign debt, the idea of nonpayment got only 2 percent while an attempt at negotiation expressed the preference of all of those interviewed (63 percent). As for the "dossiers" concerning entry into the Common Market, 38 percent of those questioned came out in favor of the development of this process; 30 percent would negotiate on some issues; 11 percent would sign the membership contract; 9 percent would drop it; 4 percent would look for other solutions; and 8 percent said that they did not know or did not respond.

Average Age of Government Officials

The interview subjects clearly came out in favor of an average age on the order of 40 years for members of the future government.

By way of an alternative, the electorate would prefer a lower average age (35) and is clearly inclined toward a young administration when asked to comment on a government team with an average age of more than 50 years.

Technical Note

This survey was conducted in the area of Greater Lisbon. The sample was made up of 405 personal and direct interviews.

Interview subjects were selected by sex and age quotas and also by residential areas. The field work was done on 8 October.

The degree of confidence of this survey is 95 percent and the margin of error is about 5 percent.

The interpretation of the results is the responsibility of the weekly O JORNAL.

Choice for Leader of Finance-Economy Area

	Total	1 Como votou em 1985				
		APU	CDS	PRD	PS	PSD
Correla Gago	1	0	0	2	0	0
Ernâni Lopes	13	13	11	12	20	14
João Salgueiro	11	5	21	14	8	13
Miguel Cadilhe	0	0	0	0	0	0
Silva Lopes	2	4	0	3	1	2
Outro 2	18	16	18	15	12	20
NR/NS	55	62	50	54	59	51

Key: 1--Whom voted for in 1985; 2--Other; NR/NS--No response, does not know; *--Figures in percentages; APU--United People's Alliance; CDS--Social Democratic Center Party; PRD--Democratic Renewal Party; PS--Socialist Party; PSD--Social Democratic Party.

If You Had Been Prime Minister, How Would You Have Handled the FEC Membership Issue?

	Total
Deixava andar 1	9
Travava o processo 2	11
Desenvolvia-o 3	38
Negociava alguns 4	30
Outro 5	4
NR/NS	8

Key: 1--Would have let it go; 2--Would have completed the process; 3--Would have developed it; 4--Would have negotiated on some issues; 5--Other; NR/NS--No response; does not know; *--Figures in percentages

How Would You Solve the Foreign Debt Problem?

	Total
Não pagava ¹	2
Tentava negociar ²	63
Procurava apoios externos	24
Outro	11
NR/NS	3

Key: 1--Would not have paid; 2--Would have tried to negotiate; 3--Would try to get foreign aid; 4--Other; NR/NS--No response, does not know; *--Figures in percentages.

What Should Average Age of Government Officials Be?

	Total	Como votou em 1985				
		APU	CDS	PRD	PS	PSD
35	23	20	29	26	23	24
40	41	49	32	42	41	42
45	20	11	21	22	21	19
50+	8	9	11	3	7	9
NR/NS	8	11	3	7	8	6

Key: 1--Whom voted for in 1985; NR/NS--No response, does not know; *--Figures in percentages.

Priority Problems as a Function of Age and Sex of Interview Subjects

	Total	Idades			Sexos		
		1-24	25-34	35-44	+45	3 Masculino	4 Feminino
Desemprego 5	62	68	60	64	57	62	60
Salários em atraso 6	41	39	37	42	44	32	50
Corrupção 7	28	21	27	39	25	28	28
Inflação 8	25	21	22	29	27	27	24
Crime	18	11	16	22	23	20	17
Sociais 9	12	9	6	14	17	15	10
Ensino 10	8	6	2	12	11	11	6
Ambiente 11	8	6	6	12	9	8	9
Outro 12	2	0	2	0	3	3	0
NR/NS	1	0	0	0	2	1	1

Key: 1--Age; 2--Sex; 3--Male; 4--Female; 5--Unemployment; 6--Wage payment in arrears; 7--Corruption; 8--Inflation; 9--Social Welfare; 10--Education; 11--Environment; 12--Miscellaneous; NR/NS--No response, does not know; *--Figures in percentages.

Who Would You Pick for Vice Prime Minister?

	Total
Alberto João Jardim	6
Eurico de Melo	3
Pinto Balsemão	2
João Salgueiro	3
Marcelo Rebelo de Sousa	0
Mota Amaral	4
Rui Machete	6
Outro	21
NR/NS	55

Key: 1--Other; NS/NS--No response, does not know; *--Figures in percentages.

Which of the Great Problems Do You Consider To Have Priority?

	Total	1 Como votou em 1985				
		APU	CDS	PRD	PS	PSD
Desemprego ²	62	53	50	70	68	62
Salários em atraso ³	41	44	36	49	35	30
Corrupção ⁴	28	22	21	34	24	31
Inflação ⁵	25	16	14	31	24	29
Crime	18	7	11	20	18	21
Sociais ⁶	12	7	7	19	12	9
Ensino ⁷	8	4	0	15	6	7
Ambiente ⁸	8	2	0	14	6	6
Outro ⁹	2	2	4	2	0	0
NR/NS	1	4	4	0	0	0

Key: 1--Whom voted for in 1985; 2--Unemployment; 3--Wage payment; 4--Corruption; 5--Inflation; 6--Social welfare; 7--Education; 8--Environment; 9--Miscellaneous; NR/NS--No response, does not know; Many interviewed listed more than one priority problem; *--Figures in percentage

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PORTUGAL

BRITIS

PINTASILGO: NO EASY ALLY--Presidential candidate Lourdes Pintasilgo declared that if elected, she will not be "an easy president for our present international partners." She also affirmed during a lunch with supporters of her candidacy that "I shall be the partner who affirms the dignity of this people, the grandeur of our history and our capability to build the future." She added that other candidacies "appear within the context of the defense of democracy, but only of that democracy which was the result of the First Republic, that is, the defense of civic rights." In the candidate's view, the president of the Republic "must not only defend political democracy, but also social, economic, and cultural democracy." She added that "I shall not be a mere spectator of salaries in arrears and of a country whose purchasing power is constantly declining." In reference to the criticism that has been addressed to her about her unwillingness to negotiate her candidacy, Lourdes Pintasilgo said that in our country "there exists a certain tendency to opera, and everyone would like to be a primadonna. This is why they say I should have asked permission to become a candidate." [Excerpts] [Lisbon DIARIO DE NOTICIAS in Portuguese 17 Nov 85 p 3] /9365

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POLITICAL

POLL REVEALS VOTER INTENTIONS REMAIN STABLE

Madrid (CAMELO 16 in Spanish 21 Oct 89 pp 34-35)

[Text] After 3 years of hovering, the Socialist Party would repeat its political success if general elections were called now: it would win a simple or absolute majority. The government's erosion, the angry opposition, the prime minister's mistakes, the opposition's attacks, the criticism from the streets... all of these things appear to have had little effect on the electorate, which has not found on the political scene another party for which to cast the majority of its votes. Or, at least, it considers it not worthwhile to stop voting for PSOE in order to vote for one of the parties opposing it.

In early October, this magazine undertook an extensive poll, on a probabilistic basis, like few ever taken in the country, asking over 1,000 people about their voting intentions and their opinions of the political leaders and the government.

The study was conducted by one of the most experienced and professional research entities engaged in opinion studies, the Sociological Research Center, which ensures its neutrality and veracity.

The data from this ECO-CAMELO 16 poll indicates that, if the present class, 44 percent of Spaniards would vote for PSOE; 22 percent, for the Popular Alliance; 7 percent, for CDS [Social Democratic Center Party]; 5 percent, for the Spanish Communist Party; and 2 percent, for the Basque Nationalist Party. The group of nationalist parties, for their part, would improve their standing.

In other words, this distribution of votes means that the Socialist Party would have the majority. The breadth of the study takes it possible to envision such a Parliament, even though only by way of approximation. That would mean 160 deputies in the semi-circle. It lacks a dozen seats, but it could suffice to govern with the same comfort as it has to date. The conservative opposition, headed by Popular Alliance (AP), in turn, would prepare 110 seats, less than its present quota.

Generally speaking, the evolution of the voting intentions indicates a good stability in the results for the different political entities.

... fluctuated between 45 and 42 percent, while Popular Coalition ... 14 and 17 percent, without managing to break the 30 percent ... The results in a graph on which the two leading political forces ... in parallel with a difference of from 13 to 14 points in ...

... parties on the national scene, the most favorable change has ... Suarez' CDS, which receives 7 percent, its maximum relative ... this year. The Communists are still bogged down, and PRD has ... off. Nevertheless, with regard to the party of Roca and ... should be borne in mind that its vote in Catalonia is incorporated ... the nationalists in Convergencia i Unió [Convergence and Unity]; ... PRD will not run as such, but rather will be represented ... same thing holds true in Galicia and on Mallorca.

... nationalist parties, stability has prevailed in all of them during ... although, comparing the poll with the results accrued in the ... elections of 1982, it may be claimed that both the Catalonians ... are clearly ahead of what they attained then.

... intentions, how might Parliament be comprised if hypothetical ... were held now? The broadness of the poll allows for a preli- ... by way of orientation, based on autonomous communities; ... was completed with the periodic surveys of the ECO data bank.

... indicative number into account, it may be said that PSOE would ... greatest loss of deputies elected in Catalonia, followed by Madrid. ... reason that it is among large populations that small parties ... chances of gleaning a seat in the distribution of leftovers. ... it is precisely in these two communities that PCE and CDS are the ... would receive the advantage; because in Catalonia, CiU would achieve ... improvement, particularly, at the expense of AP.

... coalition would turn over seats in Baleares, Catalonia and the ... country; on the other hand, winning in several communities, mainly in ... and Canarias. In short, the Popular group would managed to ... deputies.

... Communists are concerned, they might bring the current four seats ... seven: one more in Catalonia, another additional one in Madrid, ... Valencia; which in 1982 they even thought they had for a few ... additional deputies would be the result of the votes that the ... lose through their left: the punishment from the malcontents.

... Center [CDS] might prove to be the party most benefited in ... moving from two to 10 deputies. Most of them would come from ... ; but, in particular (and it is a hypothesis), CDS would act ... , precluding its invasion of the center electoral spectrum.

Those moderate individuals who refuse to vote for the Socialists, but whom Fraga did not end up pleasing either, now have an Adolfo Suarez, who has undergone the desert journey of recent years.

Several nationalist parties succeed in raising their numbers of seats, particularly the Catalonians of Convergence and the Basques in PNV [Basque Nationalist Party]. The new aspect would consist of the possible appearance in Parliament of the Galician nationalists from Galician Coalition, participating in "Operation Reformist."

The comparison in the distribution of seats has been made without regard for the changes to be introduced in the next general elections by the new Electoral Law, which will, in some provinces (and hence in autonomous communities), change the number of seats; although, understandably, the overall total will not vary.

In the current poll, those interviewed were also asked to give points, from zero to nine, to the various political leaders; so as to ascertain their popularity and the approval or rejection that they evoked from the population. The highest number of points was received by Felipe Gonzalez, with 5.7; followed by Adolfo Suarez (4.6), Alfonso Guerra (4.2) and Miguel Roca (4.1). Those with the least points proved to be Manuel Fraga (3.5), Jose Antonio Segurado (3.4) and Gerardo Iglesias, at the tail end, with 3.2 points.

In general, one observes great stability in the assessment of the politicians, although Alfonso Guerra's image has declined slightly; confirming Adolfo Suarez' second place, with far more stable points. The politicians least known to Spaniards by name turn out to be Jose Antonio Segurado, the one least known, followed by Jose Antonio Ardanza and Oscar Alzaga.

If we consider the number of people who "approve" and "drop" the leaders, we would have the following results:

Approve more than drop: Felipe Gonzalez, Adolfo Suarez and Alfonso Guerra.

Even balance between dropping and approval: Miguel Roca, Jose Antonio Ardanza, Antonio Garrigues and Oscar Alzaga.

Drop more than approve: Manuel Fraga, Jordi Pujol, Gerardo Iglesias and Jose Antonio Segurado.

The politician most "dropped" or rejected by the population as a whole represented in the poll is Manuel Fraga. Only among the strata of individuals who describe themselves as right of center and of the right, and among those who enjoy a high social level, is the image of the Alliance leader approved.

The heads of his party themselves are worried about the breadth of the rejection for Manuel Fraga. His past history, his visceral nature and his ideas are known to nearly all Spaniards, but none of his qualities, such as the

magnanimity that he displays in matters of state, or in the internal distribution of power in his coalition with the other parties.

His advisory team, in a written study, adds that, "It is necessary to sweeten Manuel Fraga's positions, without losing his identity; to make him appear as the understanding and amenable person that he really is, and not show the aggressive features that his firm actions often reflect." The advisers are concerned that the persistent rejection of their leader may prevent them from winning the next elections; and therefore, at the present time, they are focusing all their efforts on the change of image.

The meetings between the head of the government and Manuel Fraga himself could be aimed in this direction. At the first one, an agreement was reached "not to discuss the past"; at the second, held last week, certain parliamentary pacts were arrived at; and, at both meetings, the background was Spanish television, the image through antonomasia [using titles instead of real names].

In the view of a Socialist Party spokesman, the situation is obvious: "At the end of 3 years, Fraga has realized that he made a mistake in strategy with his dreadful act of constantly accusing the government for doing everything wrong. Now he realizes that an opposition must seek and achieve agreements with the government."

Popular Alliance responds with an optimistic voice. According to Jose Maria Ruiz Gallardon, what has happened is the opposite: PSOE has realized that it is going to lose the absolute majority, and therefore it is the government that is approaching the opposition. The Alliance deputy adds: "They know that, if they are governing, they will have to make the next legislature through agreements on major issues; and hence they are starting now to clear the way."

The voting preferences for a hypothetical direct election of the prime minister of the government also attest to the state of rejection for the Popular Alliance leader. Whereas Felipe Gonzalez, Adolfo Suarez and Miguel Roca (if the CiU and CG votes are added to those of PRD) receive percentages similar to those of their parties, Manuel Fraga falls far short of the points attained by AP.

At the present time, 27 percent of Spaniards would vote for the Popular Coalition, but only 16 percent of the voters would elect Manuel Fraga for prime minister of the government. In other words, the 11-point difference between the two numbers means that 41 percent of the voters from his own Coalition do not want to see him seated behind the desk in the La Moncloa office.

An office from which it will be very difficult to remove its current occupant, Felipe Gonzalez, if the voting intentions reflected by the current poll continue to be held in the coming months.

With the debate on the state of the nation concluded, the country's political activity will now embark upon its home stretch; a path spattered with calls to the polls until the arrival of the general elections which, with considerable signs of probability, could take place this coming June. This advance date

is not precluded either at La Moneda or among the PSOE itself. They have the opinion that, by that time, the legislature will have been completed, since there will be virtually no advancement, because there is only a summer in between and, furthermore, it offers additional advantages.

For example, some of these advantages would be the availability of sufficient time for the new government to prepare its own General Budgets for 1987; or, for example, to hold, at one time, that is, on the same day, the Andalusian, the European and the general elections; or, for example, to do so for itself, with the good weather at the beginning of summer, of greater participation in the elections which, at the present time, could benefit the socialist cause.

Strange as it may seem, the calendar has become a preeminent political factor. Through the adjustment of dates, my unforeseeable event could ruin the referendum on Spain's remaining in NATO.

All the government circles queried insist upon claiming that the referendum will be held; while certain politicians and journalists persevere with the same stubbornness in claiming that there will be no consultation regarding the Atlantic Alliance. There are already a considerable number of people placing bets in both directions; but everyone agrees in stating that the final decision will depend exclusively on the desires of Prime Minister Gonzalez.

In Socialist circles, it has been calculated that, in the event that it does not keep its commitment to the vote on NATO, PSOE might suffer from it a penalizing vote equivalent, at a high guess, to 10 points in the percentage in the general elections. And a loss of this magnitude would bring them very close to their Alliance opponents; and, in particular, it would cause their party, most assuredly, to lose the opportunity to attain the absolute majority in the Congress of Deputies.

Too high a price; it is preferable (they are arguing now) to risk calling the referendum; because, although the wager is difficult, they are confident of winning it. Felipe Gonzalez' appearance on the screen, calling for "yes," backed by Manuel Fraga and the entire parliamentary spectrum, except for the Communists, would provide the final spur to break the present equilibrium that exists in the polls for the present.

With television shared, the pact in Parliament, the NATO referendum turning in their favor, the electorate stabilized in its voting intentions, Manuel Fraga with a ceiling fixed at 30 percent, the Communist opposition divided by party-genesis, inflation controlled, and now in the Common Market, everything appears to be rosy for the Socialists. And, above all, the three main problems of concern to Spaniards, which have not yet been solved: terrorism, unemployment and drugs, seem to have been assimilated by the society, which has once accused the government, because they are things beyond its control. The socialists appear to have been born lucky.

Technical Record of the Poll

Universe: Adults from age 18 residing on the peninsula and in the Balearic Islands. Sample: 5,058 interviews selected in a polyphase manner, by means of quotas for sex, aged, level of activity and occupation of the head of the family. Margin of error: plus or minus 1.4 percent for the overall results. Field: From 30 September to 3 October 1985. Execution: ECO, Commercial and Opinion Studies, Inc (member of Aneimo), on an exclusive basis for CAMBIO 16.

Poll and Votes

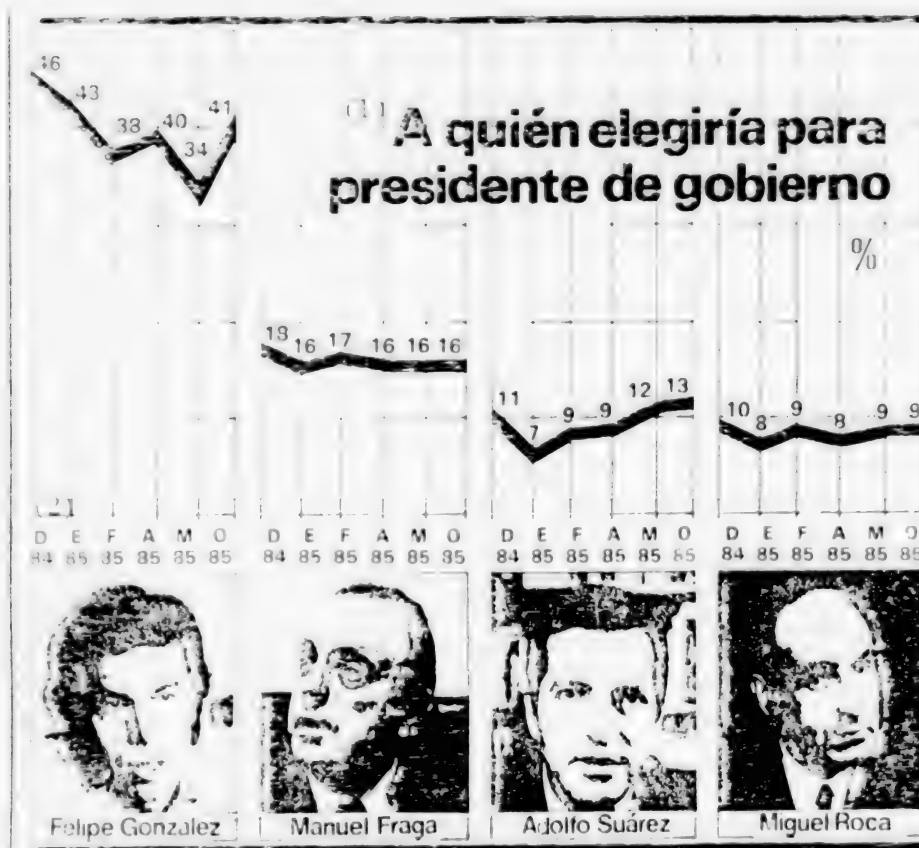
This table indicates the different awards of votes made in the poll. In the column on "direct response," the percentage that appears corresponds to the concrete response from the person interviewed, when asked the political party for which he intends to vote. During October, 38 percent responded that they would vote for PSOE, and 17 percent, for AP. The rest would vote for other parties, and 22 percent still don't know for whom they will cast their vote.

In order to ascertain this large percentage of undecided persons, this group of individuals polled were asked again the party toward which they felt the most sympathy, which one seemed better or less bad to them. Based upon their responses, the column "direct more sympathy" was devised. PSOE rose to 44 percent, and Popular Alliance, to 20 percent.

But in October, there are still 10 percent who are remiss, lacking political sympathy. This group's votes are distributed in accordance with a scale of a previous vote and other quantifiable criteria available to the ECO Institute. The result is the "estimated final vote," or voting expectation. In this column, PSOE has not added a point; of the 10 existing ones, seven were for AP and the other three for parties of a regional or nationalist scope.

Award of Vote

	Direct Response		Direct More Sympathy		Estimated Final Vote	
	Oct 85	May 85	Oct 85	May 85	Oct 85	May 85
PSOE	38	34	44	41	44	44
AP	17	17	20	18	27	28
CDS	5	4	7	5	7	5
PCE	4	4	5	5	5	5
PRD	1	1	2	1	2	2
Don't know	22	29	10	17	-	-



Key to graph:

1. Who would you elect for prime minister of the government?
2. (Initials standing for the months) December, January, February, April May, October

(1) Valoración de líderes políticos

	Jul. 83	Nov. 83	Jul. 84	(2) Dic. 84	(3) Ene. 85	Feb. 85	May 85	Oct. 85
Felipe González	6,5	6,2	5,8	5,9	5,7	5,7	5,7	5,7
Alfonso Guerra	5,9	5,5	4,8	4,8	4,6	4,5	4,4	4,2
Adolfo Suárez	3,6	3,9	4,5	4,8	4,4	4,7	4,6	4,6
Miguel Roca	4,0	4,3	4,0	4,8	4,4	4,5	4,2	4,1
Antonio Garrigues ...	3,1	3,6	3,5	4,5	4,1	4,2	4,1	4,0
Oscar Alzaga	2,8	3,2	3,2	4,3	3,8	4,2	3,9	4,0
Manuel Fraga	3,6	3,8	3,7	4,0	3,6	3,9	3,7	3,5
Gerardo Iglesias	—	—	—	4,0	3,4	3,4	3,3	3,2
Jordi Pujol	—	—	—	—	3,6	3,9	3,5	3,5
J. Antonio Ardanza ..	—	—	—	—	3,5	4,1	4,2	4,0

A. Juez

Key to Table 1:

1. Evaluation of Political Leaders
2. Dec
3. Jan
4. (Averages 0-9 points)

Fraga and Felipe: Approved and Dropped

1985	Manuel Fraga		Felipe Gonzalez	
	Appr.	Drop.	Appr.	Drop.
January	38	53	68	26
February	45	49	70	25
May	40	51	66	26
October	39	55	67	29

(2) (1) **Número de diputados**
Reparto de escaños por comunidades autónomas

(5) Nº Es- caños	(6) COMUNIDAD AUTÓNOMA (7)	PSOE		(7) AP		(7) PCE		(7) CDS		(3) ENCUESTA 1985	(4) ENCUESTA 1985
		ENCUESTA 1985	28-OCT 1982	ENCUESTA 1985	28-OCT 1982	ENCUESTA 1985	28-OCT 1982	ENCUESTA 1985	28-OCT 1982		
14	Aragón	8	9	5	5			1		(7)	
59	Andalucía	41	43	16	15	1	1	1			
10	Asturias	5	6	3	3	1	1	1			
6	Baleares	4	3	2	3						
13	Canarias	7	7	6	4						
5	Cantabria	2	3	3	2						
21	Casti.-La Mancha	13	13	8	8						
35	Castilla-León	18	18	16	13			1	1		
47	Cataluña	20	25	5	8	2	1	2			
12	Extremadura	8	9	4	3						
27	Galicia	12	9	14	13						
4	La Rioja	2	2	2	2						
32	Madrid	15	18	11	11	2	1	4	1		
8	Murcia	5	5	3	3						
5	Navarra	2	3	2	2						
21	País Vasco (8)	7	8	1	2						
29	Valencia	19	19	9	10	1					
2	Ceuta y Melilla	2	2								
350	Total nacional (9)	190	202	110	107	7	4	10	2		

Key to Table 2:

1. Number of Deputies
2. Distribution of seats by autonomous communities
3. Nationalists
4. UCD Nationalists
5. No. of seats
6. Autonomous community
7. 1985 poll
8. Basque Country
9. National total

The Dropping of Manuel Fraga (in %)

Occupation

National Working Unemployed Retired Student Housewife
1985 total

	Jan	Feb	May	Oct
National	53	53	53	53
Working	62	62	65	63
Unemployed	59	57	56	57
Retired	51	56	60	58
Student	52	49	50	51
Housewife	51	53	53	54

Political Persuasion

Left Left of Center Right of Center Right

	Left	Left of Center	Right of Center	Right
Jan	54	46	13	18
Feb	53	48	19	7
May	52	37	13	11
Oct	49	38	22	11

Age

18-25 years 26-40 years 41-60 years over 60 years

	18-25 years	26-40 years	41-60 years	over 60 years
Jan	62	53	50	55
Feb	54	55	46	43
May	62	56	49	41
Oct	61	62	44	51

Social Level

Upper level Middle Specialist Workers

	Upper level	Middle	Specialist	Workers
Jan	55	49	60	50
Feb	52	43	56	55
May	56	46	58	58
Oct	59	50	61	63

1985

ESU: 7348/18

POLITICAL

SPAIN

ANTI-NATO SENTIMENT ERODES, AS GONZALEZ PLAYS FOR TIME

Madrid CAMBIO 16 in Spanish 21 Oct 85 pp 18-22

[Text] This Is the State of the Nation

From the speaker's platform, the prime minister of the government, Felipe Gonzalez, complies with the ceremony of explaining to the Congress of Deputies and to the entire country the annual management of the Executive Branch. One key issue, which is currently holding the prime minister's attention as a priority, has been postponed until the end of December: the debate on NATO.

The poll taken at the commission of CAMBIO 16 indicates that the policy pursued of stalling on the matter of the Atlantic Alliance is beginning to bring results, and that time is acting in favor of Spain's remaining in NATO. The Socialists have managed to make the key issue no longer leaving the Atlantic Alliance, but rather holding the referendum.

Despite the erosion caused by 3 years of the "Azor," Calvino, terrorism, FLICK and quarrel with UGT [General Union of Workers], if elections were held now, the nation would again give the absolute majority to the Socialists. At least this is what was disclosed in the poll taken by the ECO Institute, which also reflects the decline in Manuel Fraga's leadership. This is the state of the nation.

Felipe Will Hold the Referendum

Felipe Gonzalez is a prime minister with a decision that has been made and announced. He will hold the referendum on NATO; although some of his ministers, to be exact, those who have the closest relations with their colleagues abroad, may be losing sleep at the thought of losing it, and although the other ministers may be holding their breath and continuing to trust, without very much conviction, that Felipe will save them, and although the entire opposition may be opposed, with the exception of the members of the mixed group in Congress.

The prime minister has made his decision because he believes that his own personal credibility and even that of the democratic institutions is at stake. Half the government and half the party do not know it yet, much less the country, which observes how the shadow of the pact emerging from the Peces-

Barba office could turn PSOE's electoral promise into horse-trading: If Fraga backs the government and does not criticize it for not keeping its promise to hold the referendum, he will have Calvino's head in his hands and part of RTVE [Spanish Radio and Television] in his service.

If so, in principle, Felipe would have it easy. It would suffice to have a mere address in the Chamber or on television, saying that since consensus was restored concerning Spain's position in Western defense, it was considered unnecessary to resort to the polls. The experts from all the political groups, claim, and many reports in this vein have reached the prime minister's office, that he would avoid the risk of losing the vote, of giving PCE [Spanish Communist Party] an advantage and of angering all the allied countries. The European ambassadors have dropped by the Ministry of Foreign Affairs, advising that the referendum be avoided.

But the response has been given to the Western ambassadors in just one way: Norway and Great Britain also held referendums on their entry into the Common Market, and it is only logical that, in an extreme situation, without political consensus (such as that in Spain at present), a referendum should be held.

Now then, the prime minister has decided to follow different reports and different advice. His television address is already being prepared; but the message that will reach the television viewers will be quite different. He will begin with a "mea culpa" [begging pardon], as some of his advisers claim: Gentlemen, we Socialista have been mistaken; we have made a correction in this matter, but we are doing so for the good of Spain.

The prime minister appears determined to go even further than is still claimed by the PSOE's top-ranking leaders (somewhat upset, because they do not yet know what he may have to say): "We have not changed, because now we may say that it is necessary to remain in the Atlantic Alliance; what has changed are the circumstances," Txiki Benegas explained to CAMBIO 16 a few weeks ago.

The reason for such humility on the part of Felipe Gonzalez, the man who heads a government which has so often been accused of presumptuousness in the exercise of authority, is explained by only one argument: credibility.

The men around him at Moncloa and a qualified adviser from the Ministry of Foreign Affairs have sent him a mutual diagnosis. If there is no referendum, all Spaniards will think either that Felipe Gonzalez is not a man of his word, because calling for a referendum or not is a mere exercise of his will, or, what is even worse, that he is so pressured by the United States and the European leaders that he is not a prime minister exercising the national sovereignty. The immediate interpretation that the prime minister has drawn from this rationale is that not only is his personal credibility at risk, but that of the institutions themselves, as well.

CIS [Sociological Research Center] and the most recent polls have given him a cylinder of oxygen for this intentions: now, there are more Spaniards who want to remain in NATO than want to leave it. His conviction now is that he could

win that referendum, contrary to all predictions, making a change in the opinion of an entire country almost at the same time that he has done so.

The dream that the government's most "pro-NATO" ministers have lost, because of the ridicule that might be created if Spain said "no" to Felipe's proposal, is deep and pleasing to the prime minister: He reached Moncloa by an absolute majority, saying "no" to NATO, and he will be able to remain there for 4 more years, asking for a "yes." According to the ECO-CAMBIO 16 poll, the prime minister's sweet dreams could become a reality. PSOE is receiving an absolute majority again and, furthermore, it has succeeded in making the number of Spaniards favoring continuation in the Atlantic Alliance (where Calvo-Sotelo left them, while the Socialists were tearing their garments) greater than the number declaring themselves opposed. Of those polled, 38 percent declared themselves in favor, 34 percent against, and the remaining 28 percent don't know or have no answer. Public opinion seems to be slowly shifting in favor of the government's positions.

There is one curious item of information which to some extent, explains the recent mystery maintained officially about this entire issue. At Moncloa, they are delighted that the controversy currently reflected in the news media is over "referendum, yes; referendum, no," an alternative which causes forgetfulness of what is fundamental: "NATO, yes; NATO, no."

Moreover, the data from the poll indicate that 52 percent of those polled say that they would "surely" vote if they are called to the polls, while 20 percent claim that it is "likely" that they will do so.

The fact, expressed in the poll, that, if the interest in going to the polls increases, the possibility of winning the referendum would do so as well, is revealing. If only the results from those declaring themselves more or less willing to exercise their suffrage are considered in an isolated manner, we would obtain the following percentages: 44 percent in favor of Spain's remaining, 38 percent opposed and 18 percent still not knowing how they would vote.

Some more conclusions may be drawn from the evolution of the data from recent months. First, that the percentage of theoretical voters in favor has remained stable, between 37 and 38 percent. Second, that those favoring the negative vote have declined from 38-39 percent to 34, increasing the group of undecided. This change, which has resulted in causing the anti-NATO voters to have, currently, the lowest number of their entire history, seems to indicate that Spaniards are not moving directly from "no" to "yes," but rather that some of those opposed are beginning to reconsider their position and take refuge in uncertainty. Future polls will tell whether this position will prompt them to move, in a "drop-by drop" fashion, to "yes," or whether, on the contrary, they will retain their doubts.

The prime minister is eagerly seeking that "drop-by-drop" toward "yes." But he doesn't intend to lose his calm on that account. For the present, he has avoided any haste. He wants no pacts to allow Fraga to back him actively.

According to Socialist sources, he had drawn the conclusion from his talks with Reagan, Thatcher and Kohl that, if he undergoes pressure not to join the referendum, Fraga too will receive his not to make the accession of Spain for NATO impossible.

Nor is there any haste about introducing the debate until the end of the year. The doubts and uncertainties that have been posed now in public opinion have been concealed by an absolutely deliberate official silence.

Completely reliable government sources have told this magazine that, just a few days ago, the Spanish authorities received confirmation that the Spanish Parliament, before dissolving, would approve the treaty for Spain's accession to the EEC.

It was the only unknown that remained to be resolved, to be certain that Spain's entry into the Common Market would take place, as planned, and that the government has carried its strategy of calculated ambiguity to that point; but the strategy does not end there.

Unbounded suspense seized the meeting held by the PSOE executive commission on Monday afternoon, 7 October. A few hours earlier, the newspaper had been notified that, the next day, the document on peace and security proposed by a commission of party "egg-heads" would finally be published.

The suspense was thwarted once again. After 2 hours, there had already been at the Socialist conclave speeches by Elena Flores, coordinator of the party force, and Txiki Benegas, the party's number three leader. Both had presented the 80 pages containing the famous NATO decalogue and the conclusions of the 30th party congress on foreign policy.

At that time, they accepted several amendments involving style and punctuation. Suddenly, Felipe Gonzalez intervened, to prevent what he considered a political error. If that document were disseminated immediately (as had been requested), the next two parliamentary debates, that on the state of the nation and that on the budgets, would be left absolutely eclipsed.

All the opposition spokesmen would embark fully on the campaign regarding the referendum, and the prime minister wants that debate to start at the end of December or in January.

With the cold of January, when the party's federal committee has given its approval, the Socialists will begin publishing to the four winds what they have already been saying, to a man, to newsmen.

There are only a few key ideas. The first is that Spain is not remaining in NATO which, according to the polls, is identified with war and with the United States, but rather in the Atlantic Alliance, which is the European defence system. The second argument is that the Socialists, with the incorporation into the EEC, have succeeded in placing an amount on that blank check which

Calvo-Sotelo gave to the Western allies, upon deciding on our incorporation in exchange for nothing. Third, that Europe is, primarily a concept of solidarity, and will be even more so upon the arrival of Spain: which can only be associated with it by participating in three fronts: political, economic and military. Fourth, PSOE has finally destroyed Spain's centuries-old isolation.

In the middle of last week, Felipe Gonzalez lunched with the regional secretaries of his party, and confided in them his concern over the many party comrades who will have to swallow the toad of NATO. It would be worse (he thinks) if the referendum were not held.

Why We Are Remaining in NATO

In 1986, Spain will contribute 350 million pesetas to the North Atlantic Treaty Organization, to be sent entirely to the agencies of the Alliance's civilian structure. Not a single peseta will go to the military structure, since the integration process is frozen. The government maintains at the Brussels headquarters a delegation consisting of 25 civilians and 10 military. They will remain there, and will soon have new colleagues; because it was never proposed at any time to leave. These are the reasons:

Spain would not have joined the European Economic Community if the Western countries had known that Spain was leaving NATO.

Leaving would have meant precluding a Western foreign policy on the part of Spain. The allies would have made us the vacuum.

The European countries are demanding a minimal amount of solidarity. When PSOE came to power, many of them had to deploy Euromissiles in their territories and the international situation was tense.

UCD [Democratic Center Union] left us with very cool relations with our neighbors, especially France. Improving them meant remaining in the Alliance.

Before entering, the Army was divided regarding the organization (the ground-based military were reluctant). Upon the entry, a process of adjustment was created.

Spain's access to new technologies was impossible without NATO.

Spain never would have procured sophisticated, modern military weaponry.

The defense interests of Spain and the Alliance are not contradictory: it is in the interest of both to protect the southern flank of Europe.

The Allies, Uneasy

One line in a 56-page report, or six words in a package of 18,000 words, can sometimes be the spark that ignites the fuse and causes a phantasmagoric blaze.

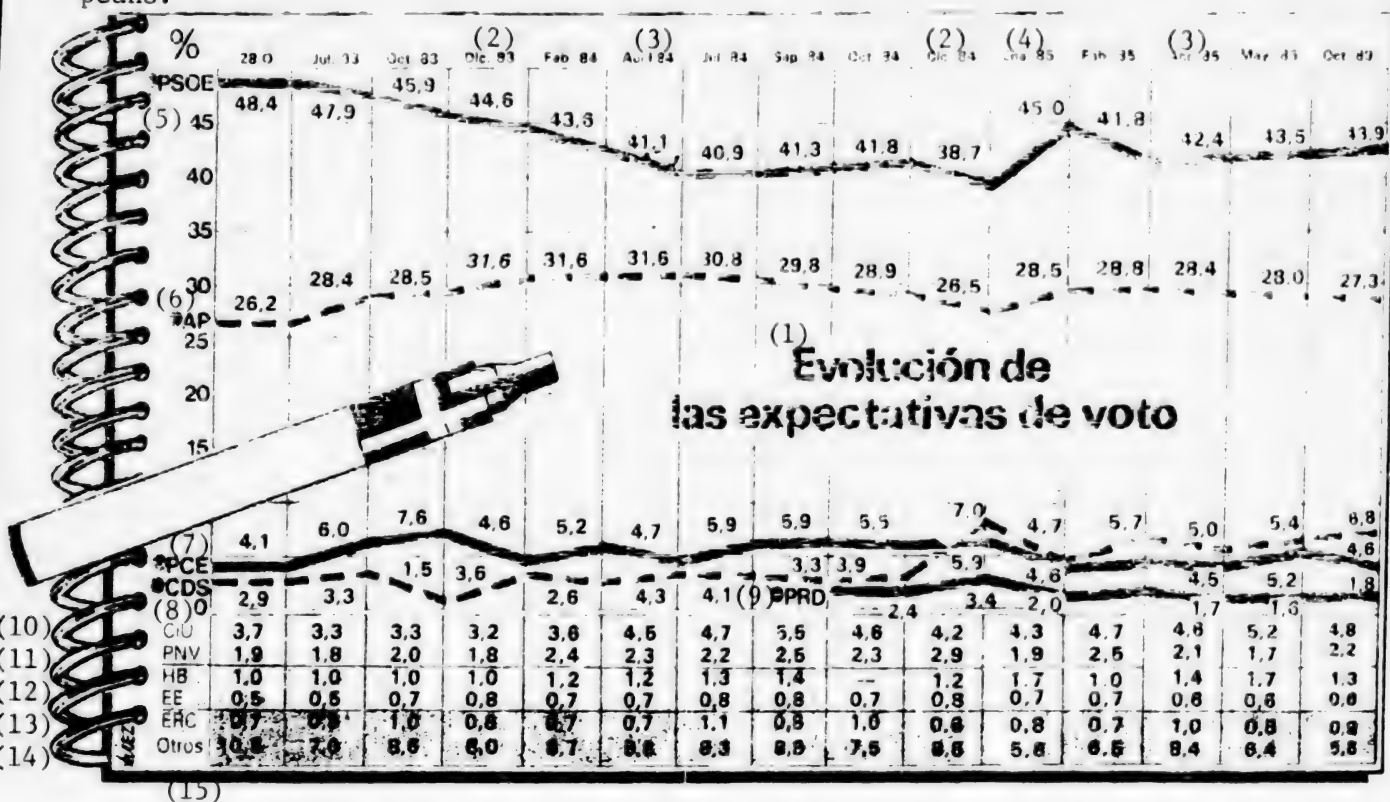
That seems to have happened with the words "the referendum is superfluous, constitutionally dubious and possibly dangerous," contained in the report that a cold Dutchman, a Christian Democratic deputy in his country, named Tom Frinking, read to the political committee of the North Atlantic Treaty Organization's 31st Plenary Assembly, which convened last weekend in San Francisco, in the United States.

The technique used to draw up the report was that of traveling to Spain and holding talks with politicians of all persuasions.

So, the Dutchman, Frinking, puts that comment to the effect that the referendum could be dangerous, is constitutionally dubious or is superfluous, in the mouth of "the Spanish opposition."

The Frinking report, which stresses the peninsula's geostrategic value, identifies the Baleares-Gibraltar-Canarias axis as a key area for protecting the southern flank, a flank which, moreover, is claimed not to be very well protected if a Soviet attack from the Crimea should occur.

Frinking makes claims such as the one that, since Fernando Moran's departure from the cabinet, and his replacement by Francisco Fernandez Ordonez, the government has been more pro-European and consistent, and that Spaniards often identify NATO with the Americans, forgetting their neighbors on the continent, the Europeans.



Key to Graph:

1. Evolution of Voting Expectations
2. Dec
3. April
4. Jan
5. Spanish Socialist Workers Party
6. Popular Alliance
7. Spanish Communist Party
8. Social Democratic Center Party
9. Democratic Reformist Party
10. Convergence and Unity
11. Basque Nationalist Party
12. Popular Unity
13. Basque Left
14. Republican Left of Catalonia
15. Others

NATO, Voting Intention

Question for the referendum

That Spain remain in NATO without joining its military structure, and that the North American presence in Spain be reduced.

%	Oct 84	Dec 84	Jan 85	Feb 85	Apr 85	May 85	Oct 85
In favor	43	35	32	35	39	37	38
Against	38	46	47	46	38	39	34
Don't know, no answer	19	19	21	19	24	24	28

NATO Referendum

1. Would vote in the referendum

Yes, surely: 52; yes, probably: 20; no, surely: 14; no, probably: 11; don't know, no answer: 3

2. Direction of the vote

	Base: total polled	Base: would surely or probably vote	Base: probably would/ would not vote
In favor of Spain's remaining in NATO	38	44	42
Against Spain's remaining in NATO	34	38	36
No opinion, don't know	28	18	22

2909

CSO: 3548/18

POLITICAL

SPAIN

POL. CONFIRMS PSOE PREEMPTS BROAD CENTER

Madrid CAMBIO 16 in Spanish 28 Oct 85 pp 43-46

[Text] Last week, this magazine published the ECO-CAMBIO 16 poll which revealed the electorate's intention of giving PSOE an absolute majority again. This voting expectation coincides with general criticism of the executive branch, which could lead to the conclusion that the interest in voting for PSOE again is not due so much to the acknowledgment of the government's successes as to the absence of another political party that would offer greater confidence.

A total of 47 percent assess the government positively, but among this percentage only 15 percent believe that the government "has done everything possible." And 50 percent criticize the executive branch's management, mostly because "it has done less than it could have done." Only 10 percent are totally negative, claiming that, "there has not been even one success."

These data pertain to the poll taken by the ECO Institute, Inc, with 5,000 interviews, the technical record of which was published in the previous issue of this weekly magazine.

While the responses for and against the 3-year Socialist administration appear to be quite balanced, the same thing does not hold true when those interviewed are asked for their opinion assessing Felipe Gonzalez as prime minister of the government: 44 percent judge him positively, 39 percent describe him as fair and 15 percent depict him as poor.

Prime Minister Gonzalez comes out well in the responses, although it must be realized that the "fair" is almost balanced with the "good." In other words, although the prime minister's image has been liked, it did not ultimately please, or at least he did not appear to have fulfilled what was expected of him. This kind of disillusionment is what was expressed when, in the question about the government as a whole, it was claimed to have done less than it could have.

It may be asserted that Spaniards are far from disenchanted with the prime minister of the government although they are nevertheless already starting to reach that area with the 39 percent "fair." In any event, what does seem certain is that Felipe Gonzalez has lost charisma since he arrived in the prime minister's post.

Another question in the poll read: "Is your opinion of Prime Minister Felipe Gonzalez better, the same or worse than when he won the elections?" Only for 15 percent is it "better now," while 49 percent reply "the same" and for 34 percent, it is "worse now." And this predominately negative sign which applies to one out of every three persons shows up in virtually all the social segments included. The "virginity" of the opposition's time has been lost, and the difficulties and hardship of 3 years of government have, on the contrary, made their appearance.

For example, the affair of the yacht, "Azor," has not exactly helped to improve that image of the prime minister: 40 percent appear "indifferent," but in contrast to 21 percent who viewed it "well" there are 30 percent who judged it as "bad." (The remaining 9 percent did not answer.)

Those most critical of the administration of the government's prime minister are the youth, the well-off social classes, individuals who describe themselves as of the right or conservative, and the unemployed.

And among those with a worse opinion of Felipe Gonzalez now than 3 years ago, there are primarily students, individuals more of the left, the right and the more well-off classes.

On the other hand, among those who most support the prime minister, and have least changed their opinion of him during the past 3 years, there are retired persons, individuals of the moderate left or left of center, those over 60 years of age and the social classes with low income.

On the periodic table on the assessment of the government, which compares the responses from various months, those dissatisfied are still on a par with those who are satisfied; but from December 1984 to date a gradual positive change has been observed.

Nearly a year ago, only 19 percent assessed the government as "satisfactory," whereas today that overall rating has risen to 27 percent.

Despite the negative evaluation, the economic policy and the policy on unemployment are considered better now than previously. On the other hand, the policy toward terrorism, which had been making upward progress in being considered satisfactory, has declined sharply in the current October poll. ETA's terrorist escalation, during the spring and summer, with deaths and bombs on the beaches, has been reflected now.

As a counterpart, in foreign policy, the opinions gleaned are clearly favorable to the executive branch: 42 percent are satisfied, as opposed to 19 percent who are dissatisfied. The success with the Common Market and the prime minister's recent trips must obviously have affected the positive direction of the replies.

The government has the afflictions of terrorism and the economic crisis, resulting in massive unemployment. Now, whatever may be done in other areas, so long

as murdering terrorists and thousands of unemployed exist, Felipe Gonzalez will receive the punitive vote in the polls inquiring about his administration as a ruler.

Public Opinion of Felipe Gonzalez

Assessment of his administration as prime minister of the government (%):

Good: 44; fair: 39; poor: 15

Opinion of Felipe Gonzalez, comparing it now with 3 years ago (%):

Better now: 15; the same: 24; worse now: 34

Judgment of 3 years of Socialist government (%):

Positive

It has done everything possible: 15; it has done enough, as things have been going: 33

Negative

It has done less than it could have: 40; it has not had even one success: 10

No opinion: 2

Assessment of the Government

	Dec 84 (%)	Jan 85 (%)	Feb 85 (%)	Oct 85 (%)
Overall management				
Satisfactory	19	26	25	27
Neither satisfactory nor unsatisfactory	38	35	39	39
Unsatisfactory	40	37	34	34
Economic policy				
Satisfactory	16	21	20	21
Neither satisfactory nor unsatisfactory	29	27	30	32
Unsatisfactory	50	45	46	44
Policy toward terrorism				
Satisfactory	20	24	31	16
Neither satisfactory nor unsatisfactory	22	23	27	24
Unsatisfactory	54	48	39	57

	Dec 84 ()	Jan 85 ()	Feb 85 ()	Oct 85 ()
Policy toward unemployment				
Satisfactory	6	8	8	10
Neither satisfactory nor unsatisfactory	15	17	19	20
Unsatisfactory	77	73	72	68

Foreign policy

Satisfactory	24	25	27	42
Neither satisfactory nor unsatisfactory	36	34	37	32
Unsatisfactory	29	27	26	19

Note: The complement to the percentage in each section is associated with "don't know, no answer."

Key to Table:

- | | |
|---|--|
| 1. Opinion of 3 Years of Government (%) | 30. Administration of the Prime Minister of the Government |
| 2. Occupation | 31. Good |
| 3. Political persuasion | 32. Fair |
| 4. Age | 33. Poor |
| 5. Social level | 34. Opinion of Felipe Gonzalez After 3 Years |
| 6. National total | 35. Better now |
| 7. Working | 36. The same |
| 8. Unemployed | 37. Worse now |
| 9. Retired | |
| 10. Student | |
| 11. Housewife | |
| 12. Left | |
| 13. Left of center | |
| 14. Center | |
| 15. Right of center | |
| 16. Right | |
| 17. 16-25 years | |
| 18. 26-40 years | |
| 19. 41-60 years | |
| 20. Over 60 years | |
| 21. Upper | |
| 22. Middle | |
| 23. Specialist | |
| 24. Worker | |
| 25. V800 Performance, 3 Years of Government | |
| 26. It has done everything possible | |
| 27. It has done much, as things stood | |
| 28. It did less than it could have | |
| 29. It has not had even one success | |

(1) OPINION TRES AÑOS DE GOBIERNO (en %)

	(2) OCUPACION						(3) TENDENCIA POLITICA					(4) EDAD				(5) NIVEL SOCIAL			
	Total nacional	Trabaja	Parado	Jubilado	Estudiante	Ama de casa	Izquierda	Centro izquierda	Centro	Centro derecha	Derecha	18-25 años	26-40 años	41-60 años	61 años y más	Alto	Medio	Bajo	
(25)	(100)	(43)	(8)	(8)	(13)	(37)	(18)	(24)	(30)	(13)	(9)	(16)	(30)	(30)	(16)	(15)	(22)	(17)	
1. ACTUACION TRES AÑOS DE GOBIERNO PSOE	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	
(26) Ha hecho todo lo posible	15	13	13	23	11	15	19	19	14	9	6	12	13	13	21	8	12	17	
(27) Ha hecho bastante, tal y como estaban las cosas	33	31	31	35	28	36	29	46	35	20	14	34	33	32	33	24	30	36	
(28) Ha hecho menos de lo que se podía hacer	40	44	42	29	54	37	41	29	42	54	50	45	43	40	32	55	46	35	
(29) No ha acertado ni una	10	11	12	9	7	9	11	5	7	14	28	8	10	12	9	12	11	10	
2. GESTION DEL PRESIDENTE DEL GOBIERNO (30)																			
— Buena (31)	44	43	40	56	23	45	46	60	45	27	17	37	45	41	53	32	39	48	
— Regular (32)	39	40	39	31	53	40	32	32	44	50	45	46	39	41	32	49	42	37	
— Mala (33)	15	17	19	11	24	14	21	7	10	22	37	16	15	17	13	18	18	14	
3. OPINION SOBRE FELIPE GONZALEZ A LOS TRES AÑOS (34)																			
— Mejor ahora (35)	15	14	13	23	16	14	14	17	15	13	11	12	13	15	20	13	14	15	
— Igual (36)	49	47	49	45	40	54	45	54	51	42	43	51	49	48	51	43	46	51	
— Peor ahora (37)	34	37	37	29	43	30	40	28	32	43	44	36	37	36	26	43	38	32	

2909

CSO: 3548/18

MILITARY

BELGIUM

'CLEVER CENTURION' MANEUVERS IN FRG DESCRIBED

Brussels VOX in French 3 Oct 85 pp 8-11

[Article by A. Verhaagen: "Clever Centurion"]

[Text] The village of Bracht was enlivened for 2 weeks in September by the autumn exercise of a Belgian I Corps division. The 17th Armored Brigade established its headquarters and headquarters company in that village for exercise "Clever Centurion" conducted from 9 to 20 September in a vast 1,800-square kilometer area east of Ludenschied.

Participating Units

A region south of the Ruhr was the scene of this exercise by the Belgian I Corps' 16th Division. The division commander, Major General Vanderhaeghen, assigned to the 4th Armored Infantry Brigade the task of supporting the recall, for exercise purposes, of the [reserve] 10th Armored Infantry Brigade. The Commanding Officer, 17th Armored Brigade was assigned responsibility for organizing and directing this FTX (full troop exercise).

"Clever Centurion" involved some 3,200 troops, 345 armored vehicles, and 785 other vehicles, all from the following units: 1st and 2d Cy equipped with AMX-Milan [armored personnel carrier armed with Milan antitank missile], 1st and 2d Guides equipped with Leopard 1A3 tank, 2d Chasseurs, 19th Chasseurs Artillery equipped with M109A2 [155-millimeter self-propelled howitzer], 15th Engineer Company equipped with M113 [armored personnel carrier], 17th Supply and Transportation Company, 17th Ordnance Company, and 17th Medical Company.

Objectives, Concept

Exercise objectives included: engaging in mock combat under actual field conditions, and training of officers and NCO's over "real-size" terrain. Combat and support units were assigned two missions: conducting defense of a zone within a brigade subsector and launching an attack through an organized position. Lastly, the entire exercise would be carried out with air support and under the threat of a chemical attack.

This field training exercise's concept broke completely with tradition in that the exercise was divided into two distinct phases. In the first phase--conducted at battalion and separate company levels--after a 2-day (9-10 September)

"peacetime" deployment, the brigade assigned to each unit a zone of action covering approximately 100 square kilometers in which to conduct 3 days of training at section, platoon, and company levels. In the second phase, the brigade directed a two-sided East-West free-play (up to battalion level) exercise with Blue forces defending the border against invading Orange forces.

Organization

Proper execution of the exercise obviously also depended on the effectiveness of such varied operational elements as: the one issuing orders to the Blue forces and their counterpart, the Orange forces; the umpire's command post; the MEDEVAC (medical evacuation) unit for medical support; and the G-5 section for matters concerning the relationship between the forces and the civilian population.

Umpires were assigned at all unit levels. They were constantly aware of each company commander's decisions and orders. Thus they could transmit details of the latter to the senior umpire who would then dispatch his assistants to the lines of contact for the purpose of evaluating friendly and enemy positions, the troops therein, the element of surprise, the effectiveness of artillery support, etc. and determine which side won.

Exercise "Clever Centurion" had what can be called optimum medical logistic support. Each zone had an aid station with all the necessary personnel and equipment. As soon as an accident was reported, the medical officer left to administer first aid, while the MEDEVAC, having been alerted, then dispatched either a vehicle or helicopter to transport the injured person to its field hospital. As a precaution, each person participating in the FTX carried a card listing various safety rules to be followed. In addition, to ensure rapid medical response to any accident, numerous radio relay facilities had been deployed throughout the exercise area. And there is no doubt that this first-class organization was responsible for the fact that only 57 persons were hospitalized, and moreover for relatively minor injuries.

Relationships with the civilian population, which were the responsibility of the G-5 civil affairs officer, were greatly facilitated by the decision to divide the exercise area chronologically. In other words, only the northern part was used for the first week's activities while the southern part served as the exclusive scene of the exercise's second week.

VOX and Exercise Play

At the 17th Armored Brigade headquarters in Bracht on the evening of 17 September, as we listened to the briefing given by Major Vermoens, the brigade S-3, we realized that the Blue forces had every reason to be satisfied with that day's events. In fact, pursuant to the defense plan, the 2d Chasseurs had conducted an effective delaying action between the "Blue pool" line (the most easterly line) and the "Blue cow" line. The enemy, having thus been contained, particularly by a retaliatory chemical attack, had not been able to break through the main line of resistance despite two attacks by a mechanized infantry battalion.

As Lieutenant Colonel Wiame, commanding officer of the 2d Chasseurs, explained it to us, the highly mobile M113-mounted Milan antitank missiles had significantly contributed to holding the enemy constantly at bay. This missile system's great accuracy is to be further enhanced when it is equipped with the Myra thermal imaging camera. In addition, the Blue forces had made most effective use of the 19th Chasseurs Artillery's M109 howitzers which proved to be very formidable weapons. In fact, these new 26-ton howitzers are literally going to revolutionize the brigade artillery whose range they will soon extend to 20 kilometers, and thus considerably increase brigade firepower.

The morning of 18 September, the Blue forces, having stoutly held the enemy off throughout the night, began to pull back, leaving it up to the 2d Chasseurs to fight another delaying action between "Blue ox" and "Blue puma". And thus, little by little, the last fires of exercise "Clever Centurion" began to die out.

While the exemplary organization of this exercise and the employment of new weapon systems contributed substantially to the exercise's success, other factors must also be underscored, namely the self-control, initiative, and consistently high morale displayed at all times by men of the 17th Armored Brigade.

8041

CSO: 3619/6

MILITARY

DENMARK

WARNING ISSUED THAT ARMED FORCES FACING MASSIVE RETIREMENTS

Copenhagen BERLINGSKE TIDENDE in Danish 28 Oct 85 p 7

[Article: "Danish Armed Forces Threatened by Self-Destruction"]

[Text] The Danish armed forces are on their way to self-destruction. In addition to massive defections as a result of salary and work conditions, nearly 10,000 will reach retirement age and leave in the course of the next five years, Ole Ostergaard, the former department head of the Defense Ministry, told AALBORG STIFTSTIDENDE.

Ole Ostergaard, who now is a consultant for the largest military personnel organization, the Central Association of Career Military Personnel, said that politically we have chosen to ignore the fact that new enlistments have not kept up with the number of those leaving.

Ole Ostergaard tells the newspaper that the central association repeatedly has attempted to make politicians and military leaders aware of this. But the defense minister seemingly is more interested in the acquisition of materiel than in planning within the personnel area.

The large group of personnel in the retirement age is the result of the many new recruits as of the time when Denmark became a member of NATO 35 years ago.

The air force and navy already are in the situation where they lack qualified leaders for various posts. This year, 15 navigators have left the navy in protest against salary and work conditions, and pilots are leaving the air force, not the least due to the fact that SAS has raised its age requirement from 34 to 38, Ole Ostergaard told the newspaper.

12578

CSO: 3613/21

MILITARY

FINLAND

HELSINKI CLASS MISSILE FAST ATTACK CRAFT IN SERIES PRODUCTION

Helsinki NAVIGATOR in Finnish Sep 85 pp 10-17

[Article by M. Ranin]

[Excerpts] New construction No 465 became the "Turku" on 3 June 1985 when it was christened and delivered at Wartsila's Helsinki shipyard. What was involved was a sister vessel of the missile boat "Helsinki" in a squadron that has gotten to the series production phase. The missile boats of the series constitute our Navy's most important combat equipment, it being especially suited to the defense of our coast in terms of size and characteristics.

During the past 15 years over 300 FAC vessels (Fast Attack Craft), which at present constitute our most popular vessel class, have been built throughout the world. Combined with its firepower and easy operation, the favorable procurement price has made this type popular in those fleets that operate in sheltered waters. With a displacement of 280 tons, the Finnish-made Helsinki class is at the lighter end of this division, the larger types being suited to more open waters.

Changes in Series Boat

Even from the outside it is easy to note that a number of changes were made after the prototype's trial runs. The bow has been trimmed down for better wave performance at high speed. The superstructure has been lowered to reduce the target surface and the antenna mast shifted backwards to minimize movements. The main operational areas have been moved to a quieter spot amidships under the main deck and the auxiliary areas to the superstructure. The operational areas are now protected from the effect of splinters by Kevlar mattresses and safety glass.

The main engine group consists of three MTU 16 V 538 TB 92 marine diesels which, as we know, have particularly good capacity to weight and capacity to space ratios. In future a KaMeWa, not a Liaaen as in the prototype, will drive three stainless steel moldboard propellers. The hull material is aluminum and special 45-cm-wide extruded sheet metal with two T beams is used in the superstructures. The hull is divided into eight watertight compartments and will withstand towing into 40-cm solid ice in an opened channel.

Its self-defense weapons are a Bofors 57-mm all-purpose gun and two 23-mm Sergei double-barreled antiaircraft guns. The Swedish Philips Company has supplied

radar fire control system and the Norwegian Simrad Company the fixed echo sounders for submarine detection. Its armament further includes four shredded foil throwers to throw missiles off the track and naval mines and depth charges if necessary.

New Naval Missiles Now in Use

Eight brand-new third generation Swedish naval target missiles form the chief armament of the Helsinki class missile boat. Risen in reputation in the wars of the past few years, the French Exocet missile only belongs to the second generation of missiles and loses out in range to our own RBS 15 SF type in spite of its sky-high price.

Two powder rockets provide the missile with an energetic initial acceleration, but then it covers a range of over 70 km at a speed of 950 km an hour with the aid of a small jet engine. It automatically finds its target, but the shape of the trajectory can be programmed in advance as desired. The target is hit at wave height.

The missile boat "Turku is the second of a series of four. In addition to this squadron, there are two more for the coming years on our Navy's list of things it hopes to get.

Technical specifications:

Construction number	465
Length	about 45 meters
Width	about 9 meters
Depth	under 2.7 meters
Displacement	280 tons
Capacity	9,000 kW
Speed	over 30 knots
Crew	28
Price	about 150 million markkas

11,466

CSO: 3617/1

MILITARY

FINLAND

AIR FORCE CHIEF SAYS HE WANTS 30 ADDITIONAL HAWKS AS LINE CLOSES

Helsinki HELSINGIN SANOMAT in Finnish 9 Oct 85 p 31

[Article by Jyri Raivio: "Air Force Proposes Big New Order"]

[Text] Having lasted for 10 years and cost over a billion markkas, the big project to replace the Air Force's Fouga Magister trainers officially ended on Tuesday when the British Aerospace Company delivered the last, or 50th, Hawk to the Air Force at its subcontractor Valmet's plant in Kuorevesi.

On the occasion of the delivery, Air Force commander Lt Gen Rauno Merio expressed his satisfaction with the quality of the Hawks, but not with their number. According to Merio, the Air Force sorely needs 30 more aircraft. They would cost about 150 million pounds, or about 1.2 billion markkas. The amount is almost exactly the same as the total price of the first 50 Hawks.

According to Merio, the Air Force proposal for additional planes is due to intensification of training. Up to now the matter has only been discussed within the Armed Forces. Military finances chief Lt Gen Pentti Vayrynen said that the appropriation for the procurement of the new planes would get into the 1987 national budget at the earliest.

Vayrynen was not, however, convinced that they would even try to get the billion for the Hawks into the Armed Forces budgets. He was surprised at the great need for more planes since, when the procurement order was being drafted, the Air Force announced that it could manage with even 30 Hawks, even though 80 Fougas were in use.

Furthermore, a billion is a lot of money when it comes to Finnish defense equipment procurements. "We could get a thousand armored personnel carriers with that!" Vayrynen reckoned.

Vayrynen also wondered why the need for additional planes was conspicuously raised just now when a series of 46 planes assembled at Kuorevesi has been completed. There will in any event be a break in production, which will raise the price of any additional planes.

As for British Aerospace (BAe), it would be quite willing to make additional sales. Finland is now already clearly the biggest export country for the Hawk.

The original procurement contract stipulated a full, that is, 100-percent, reciprocal purchase obligation, which the seller has now already exceeded by 30 percent. The reciprocal purchases that have been stockpiled would be used in connection with any supplementary order.

Enough Work in Future Too

Valmet's Kuorevesi plant, which, as a BAe subcontractor, has made some parts for the planes and assembled 46 of the 50 planes bought by the Air Force, has obtained about 10 percent of the reciprocal purchase sales in the Hawk procurement agreement.

In an obviously sad and bitter mood, the plant's staff of 550 watched the last Hawk take off in a drizzling rain for the Aerial Warfare School in Kauhava. Begun with the 30-plane Vinka basic plane series in January 1977 and continued with the Hawks, aircraft construction is now at an end. If more purchases are not obtained, the Kuorevesi plant will be nothing but a big service, repair and modification center for Air Force equipment.

According to Valmet general manager Matti Kankaanpää, these operations will guarantee full employment for at least a year. Adapting the 18 Draken fighter planes bought used from Sweden to suit Finland's purposes will take roughly that long. After that too, there will be enough service and repair jobs unless Air Force activities are ended.

Nevertheless, Valmet still also feels the loss as a builder of aircraft and parts for them. The company is also constantly negotiating with BAe for the partial manufacture of Hawks to be built for third countries. BAe has sold 30 planes to Saudi Arabia, which is not interested in itself participating in the manufacture of its planes. Partial manufacture contracts will, however, be awarded on the basis of competitive bidding and Valmet does not have the reputation of being one of the industry's lowest bidders in these matters.

Partial Manufacture of Avteks for Kuorevesi As Well

In the future too, they hope that the joint American Avtek project will produce work for Kuorevesi. According to general manager Kankaanpää, Valmet has reached an agreement whereby the special versions of the twin-engine, reinforced plastic plane will also be entirely manufactured in Finland. According to the earlier agreement, here they intended to do only the adaptations required for special use on the civilian planes to be built in the United States.

The whole Avtek project has, however, gotten bogged down in financial difficulties that are badly delaying approval of the aircraft type. According to Kankaanpää, Valmet does not, at least for the present, intend to increase its million-dollar, or about 5.7 million markkas, capital stock in the American company.

The possibility of new aircraft production work is also offered by the new Turbovinha turboprop, the prototype of which was destroyed in an accident that occurred during a test flight last spring. Valmet is at present building a new

prototype which it plans to fly in the spring. To increase crew safety, several aerodynamic improvements that improve its tailspin characteristics and a rocket-operated rescue system for the crew have been built into the new plane.

Merio could not, however, wax enthusiastic over the Turbovinha, at least not before they have had experience with it. According to the commander, the Air Force has use for at the most a few of this type of plane on communication missions.

The Turbovinha's real function, to be used for training in advancing from a light basic plane (in Finland Valmet's Vinka) to a jet trainer (the Hawk) does not interest Merio. In future the Air Force plans to advance its pilots directly from the Vinka to the Hawk, although some foreign newspapers have, according to Merio, expressed doubt about the success of the jump. "Nonsense," the general dismissed such doubts.

11,466

CSO: 3617/8

MILITARY

FRANCE

PRESS DISCUSSES SUSPENSION OF GENERAL FOR CRITICIZING MILITARY

Army Rebuts General's Criticism

Paris LE MONDE in French 2 Nov 85 p 16

[Article by Jacques Isnard]

[Text] French Army Headquarters has reacted sharply to recent negative remarks by General Arnold, commander of the 1st Armored Division. The general claimed that French armor "had fallen behind" its German and American counterparts. The army chief of staff considers these remarks "inadmissible with respect to form" and has summoned General Arnold to explain himself. The chief of staff said he would "submit appropriate recommendations to the defense minister on any action to be taken in this case."

On Wednesday 30 October, General Arnold had expressed his misgivings about the inadequacy of our armament to a group of reporters from the Paris and Ile-de-France press. These journalists had come to his Trier headquarters to acquaint themselves with the conditions under which our young draftees are performing their military service in the FRG. "Some of our armored vehicles date back to the 1960's and we are not scheduled to take delivery of the AMX-30B2 [main battle tank] until 2 years from now," he explained, after having expressed his regret over "the major political collapse" of the French-German tank project.

While praising the technical qualities of the AMX-30, he deplored the fact that "it takes 10 years to develop a French tank and 20 years to put it in production. The French Army does not have more than 1,000 tanks in its inventory. The Germans replace theirs at a rate of 1,000 per year and the Soviets at a rate of 1,000 every 4 months."

General Arnold also said that the 1st DB's [armored division] "activity" budget had been cut 17 percent in 1984 and another 8.5 percent in 1985, with a total allocation of 21 million francs.

"As for our artillery, we have emerged from 40 years of hibernation. As for our communications, our RITA [Army Integrated Communications] system is the world's best. An effort still has to be made for our armored vehicles". The general concluded his remarks by mentioning, with obvious bitterness, the contrastingly excellent armored equipment available to his German and American colleagues."

French Army Headquarters has issued a point-by-point rebuttal of the general's criticism. This rebuttal contends that "the army reorganization program has increased the 1st DB's mobility, its number of tanks, its firepower, and the reliability of its communications.

"In the best interests the army is, without a more balanced redistribution of its helicopter fleet has been made in favor of the rapid Action [redeployment] Force (FAR) which includes the 11th Airmobile Division. It is a well-known fact, however, that the total number of tanks and artillery pieces in our main battle forces has remained virtually 100 percent unchanged."

The army's rebuttal statement had the following comment on main battle tanks: "Though it is true that the 1st DB is still not equipped with the AMX-30B2, it must be clearly noted that this tank is being gradually issued to our tank regiments. As for its coming replacement, whose funding is now 100 percent assured, it will incorporate all the most modern technologies and enter service in the early 1990's."

Lastly, this statement had the following to say about the [training] activity of the armed forces: "In 1984 and 1985, the armed forces contributed to the national economic recovery effort. In 1986 budget will entail a substantial increase in field [training] activities, and more specifically for the 1st DB which will participate in an open-country field exercise."

Tank-Helicopter Team

The criticism voiced by General Arnold--a career armor and cavalry officer--are illustrative of the impatience displayed by armor officers who want to have a new main battle tank which can replace the AMX-30 and its derivatives as quickly as possible and can rival foreign tanks, particularly Soviet and West German tanks.

The collapse of a joint French-German tank project in 1980, and then again in 1983, was a bitter disappointment to supporters of that tank in France. The French Government approved a two-phased solution to the problem: in the near term, modernize the current AMX-30 at relatively low cost; in the longer run, design and develop a new tank without the help of a partner country.

Yet, justifiable as they are, the remarks made by General Arnold--who served for 3 years as military aide to Giscard d'Estaing during the latter's presidency--stem from the same critical frame of mind assumed by many officers when General Jean Delaunay resigned his position as chief of staff in the spring of 1983. Indeed, in the opinion of these officers, the army reorganization plan proposed by the government and subsequently approved by Parliament, did not treat armor and tanks fairly, both of which have long been considered the kingpins of any possible future battle in Europe. Many of these officers, opposed to the approved reorganization, found it hard to understand that the tank-combat helicopter team had now become the factor of prime importance in a land battle.

While freeing itself from terrain obstacles, the helicopter, by its mobility and the rapidity of its movement, is now the main opponent of the enemy tank which it can destroy with its antitank missiles.

Capering, as it were, in advance of their ground forces, the missile-armed attack helicopter and the tactical transport helicopter carrying infantrymen can conquer terrain which the accompanying armor can then occupy. This is the basic reason for France's activation of an airmobile division with three helicopter regiments. This division has been stationed in the Nancy region since this summer.

Inasmuch as hard choices had to be made in allocating funds within the defense budget, many armor supporters felt that the armored forces had been unfairly treated financially so that priority could be given to increasing the strength of this force of combat helicopters. This perception is no doubt at the root of the resentment felt today by tank experts when they note, not without sound technical reasons, that the AMX-30 tank in French units is still a tank that is greatly outclassed by foreign tanks.

General Relieved of Command

Paris LE MONDE in French 3-4 Nov 85 pp 1, 16

[Article by Jacques Isnard]

[Text] General Arnold will be replaced as commander of France's First Armored Division stationed in the FRG. Such is the decision made by Defense Minister Paul Quilès upon recommendation of the army chief of staff, General Maurice Schmitt. General Arnold was relieved of command because of remarks he made to reporters from Paris about the inadequacy of the tanks in the First French Army's armored units on both sides of the Rhine.

Officially, General Arnold's current status is that of an officer who will have to wait for some time before receiving a new assignment. In other words, everything indicates there will now be a temporary painful hiatus in his career before he can hope to receive a satisfactory position. Such is the price to be paid by any officer accused of having failed in his duty to maintain a wise reserve in his public utterances, even though the conditions in which the general exercised his freedom of speech are not indicative of an unmistakable act of undisciplined conduct toward the government.

As a matter of fact, all things considered, General Arnold simply said aloud what is already common knowledge and whispered about within the military establishment. Namely that French armor is not up to the standard of similar forces in other countries, notably in neighboring countries allied with France, such as Great Britain and the Federal Republic of Germany, and also that the French AMX-30 tank cannot stand comparison with other tanks that are a generation ahead of it. General Arnold confided all this to a few reporters. Other officers had said the same thing before him, but without creating scandal. Members of Parliament, army budget rapporteurs in the Senate and National Assembly, have been making the same comments in writing for more than a decade.

During his talks with the press, General Arnold did not behave with any hidden ill will toward either the military establishment or the high command to which he is responsible. In fact, he made it quite clear that the French Army was technologically ahead of allied or foreign armies in such other fields as artillery, for example. French Army Headquarters did not take notice of these particular remarks, and yet, here also, General Arnold was not wrong. His evaluation of the current status of the French Army was, therefore, measured and balanced.

By relieving General Arnold of command, the defense minister and army chief of staff have created an impression of having imposed selective ad hominem punishment on him. It's as if they wished to muzzle all those military personnel with a legitimate grievance about the quality of the old equipment assigned to them. Or as if, by making an example, they wanted to place the officer corps "under lock and key"--to use General Imbot's well-known expression--because of the approaching legislative elections in early 1986.

Of course, the "great mute" [army] must remain such if perchance any one of its members should ever have the condemnable intention of participating in France's political debate. The least that can be said about this case is that General Arnold did remain on ground with which he is professionally and technically familiar when he expressed, with all the authority of his position and rank, the same reservations every expert on tanks has about the AMX-30. General Arnold did not disrupt "the political consensus" on defense in France by simply giving his viewpoint as a user of the French tank.

On the contrary, General Arnold--in his own way, which apparently did not please the government--raised the issue of the future of armor and its place in France's military posture. This issue is, after all, being debated today in other armies, starting with the German Army or Soviet Army. However professional, technical, indeed even corporatist, this debate may be, it is not without importance at a time when the French Army's organizational structures are being totally updated. By what authority should the military who are actually experiencing this reorganization be excluded from this debate?

The defense minister relieved General Philippe Arnold of command effective Friday 1 November. His successor is to be named at the next Cabinet meeting, according to a statement released by the Ministry of Defense.

This disciplinary action was taken because of General Arnold's remarks made, on 30 October at Trier, to a group of journalists from Paris and Ile-de-France. In those remarks, the general said that French armor "had fallen behind" its American, British, and German counterparts. He had particularly criticized the army's current reorganization and the insufficiency of funds allocated to the armored forces.

General Schmitt, the army chief of staff, considered these remarks "inadmissible with respect to form." On Friday 1 November, General Schmitt, appearing on Antenne 2 [TV station], said: "General Arnold is a talented officer. His action surprised me, but he seriously failed to live up to his obligation to

maintain a wise reserve. I cannot allow our army to be depicted as an aggregation of obsolete equipment manned by poorly trained personnel. Where Europe is concerned, our army is completely up-to-date and our allies recognize this."

On the other hand, General Delaunay, General Schmitt's predecessor who resigned his position as army chief of staff in the spring of 1983, stated that General Arnold "said things that are common knowledge."

For his part, however, retired General Buis argued that "no general officer, especially when he has the responsibility of commanding the 1st Armored Division, which is a big division, has the right to make statements of this kind."

General Philippe Arnold was born on 10 November 1933 in Nancy, Meurthe-et-Moselle. A 1953 graduate of Saint Cyr military academy, he first served in the 4th Tunisian Spahi Regiment as a platoon leader. He was wounded in August 1956 and returned to France. From 1957 to 1964, he served successively in Germany, Algeria, and then again in Germany. On 1 September 1964, he was assigned to the staff of the Military Government of Paris. In 1965, he attended the U.S. Army Command and General Staff College in Fort Leavenworth, Kansas. Then followed assignments, from 1966 to 1969, on the Army G-2 staff, at the Army War College, and in the 3d Hussard Regiment. In August 1973, he was assigned to the staff of II Corps and the commander-in-chief, French Forces Germany, where he served as a section chief in the Intelligence and External Relations Division. From 1 August 1975 to 31 August 1978, he was a military aide to President Giscard d'Estaing. On 8 September 1978, he assumed command of the 501st Tank Regiment. On 1 August 1982, he became assistant commander of the 1st Armored Division. He was promoted to the rank of brigadier general in 1983 and named commander of the 1st Armored Division on 1 September 1985.

An officer of the Legion of Honor and recipient of the Military Valor Cross, General Arnold holds six combat awards, including one for having been wounded in combat.

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MILITARY

FRANCE

SATORY X EXHIBITION OF ARMY MATERIEL

Paris ARMEE ET DEFENSE in French Sep-Oct 85 pp 17-21

[Article: "Satory X"]

[Text] The tenth biennial exhibition of army-type materiel was held from 10 to 15 June 1985 at Satory, southwest of Versailles. Once again, this event was a real showcase of French know-how in the design and manufacture of army weapons and equipment.

Admission to the exhibition, organized primarily for defense specialists, was by invitation only. It was not open to the public, but active-duty military personnel could attend. Interested reservists had to apply to their territorial military authority for an invitation.

For 20 years now, French arms manufacturers have been able to display and promote their products at this exhibition which has been held at Satory every 2 years since 1967. Scheduled immediately after the Paris Air Show, the exhibition takes advantage of the presence in France of many arms specialists from all over the world and also defense officials from countries with which France maintains close relations.

Organized by the General Delegation for Armament (DGA) in coordination with the French Army general staff, this year's show featured more than 200 French exhibitors and was visited by approximately 60 official foreign delegations. Exhibits included complete systems, subsystems, and components, as well as prototypes and mockups of army-type material in its experimental or engineering phase, in other words, preconfigurations of tomorrow's weapons and equipment. This year, the army general staff placed the resources of the 10th Armored Division at the disposal of manufacturers for day and night firing demonstrations conducted for the visiting delegations at the Suippes Camp.

The materiel displayed included the following:

A. Weapons and Ammunition

1. Helicopter-Mounted Mistral Air-to-Air Missile System

Manufacturer: Matra.

Use

This helicopter-mounted air-to-air missile system employs the basic Mistral missile and is designed for helicopter-versus-helicopter air combat.

General Characteristics

The Mistral helicopter-mounted weapon system comprises the following major components: two missile-launching pods, (each containing two missiles); a sequencer, a gyrostabilized telescopic sight, and a pilot's optical sight.

The missile can be fired by either the pilot or the copilot: the pilot with the help of his optical sight and the copilot with the gyrostabilized telescopic sight.

Technical Specification

Missile: the Mistral missile is identical for all applications--army, navy, air force--and was developed with due consideration given to those constraints specific to its being helicopter-launched.

System: weight of the system with four missiles, but excluding the sights: 180 kilograms. This weight includes the cryogenic unit for multiple-round cooling of the active seeker. The Mistral system can be mounted on any light Gazelle-class helicopter.

Performance

System reaction time: less than 5 seconds.

Target acquisition is achieved by using the pilot's sight or the gyrostabilized telescopic sight to preposition the seeker within a ± 15 -degree sector around the axis of the helicopter.

The missile can be fired throughout the helicopter's flight envelope. It is capable of engaging enemy helicopters when they are in forward flight or hovering close to the ground.

Current Status

In its definition stage.

2. SS.12-AS.12 Missile

Manufacturer: Aerospatiale's Tactical Missiles Division.

The SS.12-AS.12 missile is wire-guided. The SS.12 [surface-to-surface] missile's destructive power at the point of impact is approximately equal to that of a 155-millimeter field artillery round. The SS.12 can advantageously replace that artillery for all direct-fire missions. Furthermore, when linked to a 10 x 80 telescopic sight, the missile system can be mounted on a variety of vehicles,

even very light vehicles, a light armored car or light reconnaissance and support vehicle (4-6 tons). When so mounted, it gives a vehicle as much firepower as that of a 155-millimeter artillery piece. The AS.12 [air-to-surface] version arms numerous aircraft and helicopters. To helicopters in particular, the AS.12 adds a formidable weapon which they have heretofore lacked.

General Characteristics

The missile is powered by two solid-propellant rocket motors: a launch-boost motor and a sustainer motor. The missile's flight path is controlled by the gunner from a launch control unit consisting of a command guidance lever and a command signal generator. To aim the missile, the gunner trains binoculars or a gyro-stabilized telescopic sight on the target and aligns the missile's tracers on the target.

Technical Specifications

Length: 1.87 meters; body diameter: 0.21 meter; maximum span, wings of fins: 0.65 meter; launch weight: 75 kilograms.

The missile is transported in two separate containers. One holds the warhead section, the other the missile body and the folded fins.

Performance

In the surface-to-surface role: effective range, 6,000 meters; average speed: 190 meters per second.

In the air-to-surface role: effective range is a function of speed and altitude at which launched. It is, for example, some 7,500 meters when indicated air speed is 325 kilometers per hour and altitude is 200 meters.

The AS.12 can be mounted on any helicopter and on any aircraft. In the case of the latter, it is recommended that the missile not be fired at a speed in excess of 200 knots.

Current Status

In regular production. Several systems have been developed for fixed installations (coastal defense), for armored or light soft-skin vehicles, for naval fast attack craft, and for many aircraft and helicopters.

3. Rafale Weapon System

Manufacturer: SEP, European Propellant Company.

Use

The Rafale saturation-fire artillery [multiple rocket launcher] weapon system can deliver fire at a very rapid rate on targets at ranges of from 9 to 32 kilometers. The system is mounted on the rear of a highly mobile wheeled vehicle.

Specifications

a. Rocket

Weight: 78 kilograms; caliber: 147 millimeters; length: 3.2 meters.

Powered by a single-chamber solid-propellant rocket motor with two levels of thrust. Maximum speed: 1,100 meters per second; muzzle velocity: 100 meters per second.

The rocket's antipersonnel warhead contains 35 fragmentation grenades, each containing 360 steel balls, thus scattering 12,600 metal pellets over a 30-hectare area. Dispersion is controlled by a time fuze.

The antitank warhead contains either 56 shaped-charge bomblets or five antitank mines.

Weight of warhead: 19 kilograms.

b. Launch vehicle

The 30-tube rocket launcher is mounted on the rear of a Berliet truck chassis.

Performance

Accuracy ("justesse"): longitudinally off-center by 1.1 percent of range and laterally off-center by 0.4 percent of range.

Precision: longitudinally off-center by 0.6 percent of range and laterally off-center by 1.1 percent of range.

Current status

Under development.

4. Short-Range Antitank Missile (ACCP)

Manufacturer: Aerospatiale's Tactical Missiles Division.

Use

The ACCP short-range antitank missile is designed for deployment at infantry section or squad levels. It is expected to become operational before 1990, thus giving these infantry units increased effectiveness against new types of armor plate--effectiveness unmatched by all rocket systems--throughout the depth of the battlefield out to a maximum range of 600 meters.

The primary design philosophy for the ACCP was to develop the simplest and most compact solutions possible for obtaining maximum penetration of all types of armor produced up to the year 2000, with a very high degree of accuracy while limiting weight of the missile round to 11 kilograms, and all this at a cost compatible with large-scale deployment among infantry units.

General Characteristics

The missile is fired from a tubular container also used to transport and store the missile. The compact launch control unit includes a firing mechanism, sensor, sight and guidance system. This unit enables the gunner to shoulder fire the missile (quick fire) while in a standing or kneeling position, or use a tripod to fire it from a prone, kneeling, or standing position (prepared fire).

A soldier carrying the complete system--missile with launch unit connected thereto--slung over his shoulder, takes less than 10 seconds (including the missile's 2.6-second time of flight) to deliver quick fire on a target of opportunity at a range of 300 meters. The gunner simply has to keep the crosshair reticle of his sight on the target to achieve a hit. The tracer-equipped missile is tracked throughout its flight and automatically kept on the gunner's line of sight to the target by a wire-guidance system.

The guidance and steering principles incorporated in the system allow the missile to be launched at low velocity, thereby making the launch particularly inconspicuous and virtually recoilless. This allows the missile to be fired in a small confined space because of the low overpressure produced by the small volume of gas released by the launch rocket motor.

The guidance technology incorporated into the system--tantalum tracer or flare on the missile and CCD [charged-coupled display] camera on the launch control unit--contribute to making the missile's firing relatively inconspicuous and permit effective electronic countermeasures to be taken against jamming.

The missile's great maneuverability and its warhead's performance make the ACCP system effective at ranges of from 25 to 600 meters. Hence it can be employed in close-in as well as medium-range combat against all types of present-day armored vehicles and those expected through the end of the century.

ACCP gunners train on a simulator. This considerably reduces the number of missiles fired in training and consequently lowers training costs.

Technical Specifications

Weight of ready-to-fire round (missile and launch tube): 10.5 kilograms;
Weight of round in tactical casing: 11 kilograms; length of round in tactical casing: 970 millimeters; diameter of round: 168 millimeters.

Launch control unit: launch weight with tripod: 4.6 kilograms; shoulder-launched weight: 3.5 kilograms.

Solid-propellant for launch motor and sustainer motor.

Performance

Maximum terminal velocity: 300 meters per second.

Range from 25 to 600 meters; flight time to maximum range: 3.6 seconds.

Armor Penetrating Effectiveness

- a. Against cast sections of steel armor plate: 950 millimeters;
- b. Against modern armor plate: excellent because of the high caliber of the warhead.

Current Status

Feasibility demonstrated by flight tests. Now in development stage.

5. ACL 300 Jupiter Antitank Rocket System

Manufacturer: Europac, European Antitank Armament Company [French-German consortium].

Use

The ACL 300 Jupiter is a single-shot disposable weapon system. Its 155-millimeter warhead will penetrate the armor of all main battle tanks known or expected in the coming time period. Its ability to be fired from small enclosures, its lack of smoke and muzzle flash, its low noise level, and the ease with which it can be carried, make the Jupiter a most suitable weapon for motorized and mechanized units, and also for guerrilla, commando, and urban combat units.

Specifications

Weight of system: 11 kilograms; weight of rocket: 3.4 kilograms.

Length of rocket: 0.65 meter; length of weapon in firing configuration: 1.2 meters; length of weapon in carrying configuration: 1.1 meters; diameter of tube: 70 millimeters.

Muzzle velocity: 180 meters per second.

The steel tube is expendable but the optical sight is reusable.

The noise level at launch is comparable to that of a pistol shot.

Performance

Penetration of vertical section of cast-steel armor plate: more than 800 millimeters.

Effective range: 330 meters.

Principle of Operation

- a. The rocket is fired by pressing the pistol-grip type trigger.
- b. The launching charge simultaneously pushes the rocket and the recoil shock absorber forward by means of two pistons.

c. The rocket and the shock absorber are ejected from the tube. The two pistons butt against retaining rings on both sides of the openings in the tube. In this position, the pistons hermetically seal the tube, thus preventing the emission of flash, smoke, and noise.

Current Status

Prototype.

6. FL20 Turret

Manufacturer: Fives-Cail Babcock's Armament Division.

This turret armed with a 105-millimeter gun is designed for installation on tracked or wheeled armored vehicles of 12 tons or more for use on multiple reconnaissance and combat support missions.

This turret is suitable for day/night antitank and antipersonnel combat in or out of an NBC [nuclear, biological, chemical warfare] environment.

Its fully automatic ammunition loading system and low silhouette make the turret highly effective and relatively inconspicuous.

Specifications

Weight: 5.8 to 6.3 tons, depending on its equipment.

Crew: two men, tank commander and layer-gunner.

Turret armored protection: 360 degrees against 14.5-millimeter projectiles.

Armament

a. A 105-millimeter 105 GI gun capable of firing:

(1) OFL armor-piercing fin-stabilized discarding sabot round with a muzzle velocity of 1,460 meters per second and great penetrating power;

(2) OCC shaped-charge round with a muzzle velocity of 800 meters per second and effective range of 2,500 meters;

(3) OE high explosive round with a muzzle velocity of 700 meters per second and effective range of 8,000 meters.

(4) Ammunition selection and loading is fully automatic with motor-driven revolver type magazines and automatic ejection of empty cartridge cases outside the turret, thus making it possible to fire 12 rounds in less than 1 minute.

b. Either a coaxially-mounted GIAT Model F2 dual-feed 20-millimeter cannon firing OPT SOC armor-piercing subcaliber ammunition or OET high explosive rounds, at a rate of fire of 750 rounds per minute; or a coaxially-mounted 12.7-millimeter or 7.62-millimeter machinegun.

c. A roof-mounted 7.62-millimeter machinegun which can optionally be equipped with a swivel.

d. Eight smoke dischargers or grenade launchers.

Ammunition Load

a. A total of 17 rounds of 105-millimeter ammunition including the 12 ready-to-fire rounds in the two revolver-type magazines, plus additional rounds possibly available inside the tank chassis.

b. A total of 400 rounds of 20-millimeter or 5,000 rounds of 7.62 ammunition (depending on the weapon used).

Gun Laying

The turret can be traversed through 360 degrees in 10 seconds (36 degrees per second).

Elevation and depression are from +12 degrees to -8 degrees.

The turret is hydraulically or electrohydraulically motor-driven from two control panels, the primary one being the tank commander's, the secondary the gunner's.

Stabilization of the turret is optional.

Fire Control

Gunner: day/night fire control system for engaging stationary or moving targets; with fitted azimuth tachometer and tilt sensor; with computation of ballistic data for the type of ammunition used and environmental conditions.

Tank commander: day/night periscopic gunsight.

Optics

Tank commander: six panoramic periscopes and a gyrostabilized sight (optional).

Gunner: three panoramic periscopes.

Communications Equipment

Two transceivers.

Optional Equipment

In addition to the 20-millimeter cannon, the gyrostabilized sight, and the turret roof-mounted machinegun, FL20 turret options include a complete stabilization system, a fire protection system, an infrared and/or light intensification night sight, etc.

Current Status

Prototype, with preproduction models to be delivered in mid-1985.

7. Model 781 30-Millimeter Automatic Gun

Manufacturer: GIAT (Industrial Group for Land-Based Armament)

Use

As a single-feed and powered weapon firing ammunition of the 30-millimeter x 550 family. It is designed to arm light aircraft, helicopters, armored and soft-skinned vehicles.

General Characteristics

Electronic controls for adapting rate of fire to system's missions and constraints imposed by the carrier on which the gun is mounted.

Exceptional reliability and long service life thanks to the technologies incorporated in the weapon's mechanism.

Complete training--operation and service of the piece--can be conducted without firing live ammunition.

Technical Specifications

Weight: 65 kilograms, including electronic fire control system.

Peak recoil force: 600 daN.

Performance

Rate of fire: up to 750 rounds per minute.

Modes of fire: single-shot, limited or unlimited bursts are possible.

Current Status

In development phase.

8. Close Supporting Fire 60-Millimeter Mortar

Manufacturer: Thomson-Brandt Armaments.

Because of its light weight and ease of handling, this 60-millimeter mortar furnishes forward-area infantry troops accurate and effective supporting fire.

Specifications

Total weight: 6 kilograms; length of barrel with breech: 760 millimeters; elevation limits: 45 degrees to 82 degrees.

The complete mortar is easily shoulder-portable.

Performance

Its base plate allows the mortar to be fired through 360 degrees in azimuth.

The mortar can fire high explosive, smoke, illuminating, and practice rounds.

Effective range: 100 to 900 meters.

Current Status

In production.

9. HPD Model F2/F2 Land Mine

Manufacturer: TRT [Telecommunications, Radio, and Telephone Company].

Use

This second-generation highly lethal antitank mine is an influence mine specifically designed to be laid or hidden in the ground manually or by mechanical mine-laying equipment. It is an integral part of a modern weapon system that can be used to lay a barrier minefield covering a 1-kilometer front in 2 hours. The highly simplified laying and arming procedures are reduced to an absolute minimum.

Specifications

Dimensions: height, 105 millimeters; length, 280 millimeters; width, 185 millimeters; weight, 7 kilograms.

The Model F2/F2 mine is watertight under 5 meters of water.

The mine meets current French Army military specifications, military standard STD331, and STANAG [NATO Standardization Agreement] 35.25.

Performance

The mine is actuated under the full width of armored vehicles regardless of their speed. Its boosted explosive charge penetrates 150 millimeters of steel. The mine can be made safe again after laying and arming. It is then reusable. Its modular design facilitates maintenance and possible modification to meet a changing threat.

Current Status

In evaluation phase.

B. Mobility

1. R.400-90T 6x6 Turbocharged Tractor

Manufacturer: Renault Industrial Vehicles

Use

As a highway 50-60 ton class tractor for tank transporters.

Designed for long-distance transportation of exceptional unit loads.

Specification

Cab: over-engine and swing-back.

Overall dimensions: length, 6.455 meters; width, 2.5 meters; height, 3.135 meters; wheelbase, 2.95 meters + 1.35 meters.

Engine: 8-cylinder turbocharged diesel; power: 295 kilowatts (400 horsepower) at 2,100 rpm; maximum torque: 167 m.DaN (170 m. kilograms) at 1,400 rpm.

Transmission: 16 forward and two reverse speeds, and a torque converter.

Braking system: air brakes with two independent air lines.

Rear axles: dual reducing gears.

Tires: 13 x 22.5, dual rear wheels.

Steering: hydraulic power steering system built into steering gears.

Electrical system: 24 volts, 143 ampere-hours, and 70-ampere alternator.

Performance

Road range: 1,000 kilometers; diameter of turning circle: 16.5 meters; maximum towed load: 140 tons.

Current Status

In prototype stage.

2. DMC

Manufacturer: Lohr Corporation.

Use

As cross-country self-loading tactical load semitrailer.

This 6x6 trailer can load vehicles when they are not parallel (at right angles) to the road.

Specifications

Length: 9,500 millimeters; width: 2,500 millimeters.

Weight without load: 15 tons; payload: 16 tons.

Hydraulic system for tilting platform; hydraulic hoist.

The front and rear of the trailer are equipped with safety outriggers or stabilizers.

Performance

Speed and cruising range vary with those of its tractor.

Current Status

In regular production.

3. Mine Detector DHPM 1A

Manufacturer: GIAT (Industrial Group for Land-Based Weapons).

Use

The electromagnetic DHPM 1A mine detector is a device that indicates the presence of metallic objects under the ground. It is specifically designed for the detection of buried or hidden antitank and antipersonnel mines that have at least one metallic part.

Specifications

Dimensions: 650 x 300 x 155 millimeters.

Weight: 3.5 kilograms.

Powered by BA-58 alkaline batteries which need replacement after approximately 30 hours of operation.

Equipped with three-position sensitivity selection switch.

Suitcase-type configuration.

Operating temperature range: -31.5 to +51 degrees centigrade.

Performance

Can detect 1 gram of steel at 10 centimeters, 20 grams of aluminum at 30 centimeters and 100 grams of aluminum at 45 centimeters.

In regular production. Approved as standard equipment by the French Army.

4. SMC Combat-Vehicle Transport Semitrailer

Manufacturer: Lohr Corporation.

Use

Designed for highway and/or cross-country transportation of heavy combat vehicles.

Highly suitable for employment in desert regions.

Specifications

	<u>SMC 60DT</u>	<u>SMC 60RD</u>	<u>SMC 40PL</u>
Total gross wt.	78,500 kg	77,000 kg	60,000 kg
Payload	60,000 kg	60,000 kg	44,000 kg
Length	13.05 m	12.05 m	12.93 m
Width	4.13 m	3.4 m	3.3 m
Brakes	Compressed-air with two air lines		
Undercarriage	2 longitudinally & laterally oscillating tandems		
Tires	8 24x20.5 sand tires	8 1800x22.5 sand tires	8 1300x20 "Pilot" tires
Front outriggers	Hydraulic with wide base plates	Manually raised	Manually raised
Rear ramps	Hydraulic, inclined 18 degrees	Manually raised by winch	

Performance

Payload capacity suitable for all currently operational armored vehicles.

Can be hitched to all tractors of corresponding power.

Adapted to desert climate.

Current Status

In production. In service with several foreign armies.

C. Command and Control Facilities

STATEX (Experimental Command Assistance Facility)

Use

This experimental facility is designed for employment:

1. Within an operations section of the command center of a "large unit" [higher than brigade level] on a trial basis for the purpose of identifying all aspects of its operational use;

2. In a maneuver;

3. As a test bed for its interoperability with other stationary or mobile command and control systems.

It contains a very complete range of communications, data processing, and display equipment normally used by staff officers for:

- a. Processing an operations section's incoming and outgoing messages;

- b. Continuous updating of the friendly forces situation and the enemy forces situation (posting situation map);

- c. Preparing and directing the maneuver under the best possible conditions.

The facility can be connected to communications networks, particularly the RITA [Automatic Integrated Communication System].

It is housed in a 6-meter shelter.

Functional Characteristics

It accommodates the work stations of some of the staff officers in a command center or in the operations sections within the headquarters of supporting arms.

With it, staff officers can maintain communication--through the RITA system, for example--with other staff officers at different command levels.

Technical Specifications

The STATEX experimental facility has two main components: an air-conditioned shelter mounted on the bed of a standard TRM-1000 military truck; and a trailer housing the shelter's electric power generation and distribution equipment. The complete facility--truck, shelter, and trailer--is thus self-contained.

The shelter is divided into two separate compartments:

1. A technical compartment containing the computer equipment bays.

2. An operations compartment housing such terminal equipment as an alphanumerical terminal, a large 1x1 meter polychrome visual display unit, a large-size graphical display unit, a high-speed plotter, and a high-speed printer.

Current Status

Experimental system.

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CSO: 3519/22

MILITARY

FRANCE

ORGANIZATION OF 12TH, 14TH LIGHT ARMORED RESERVE DIVISIONS

Paris ARMÉE ET DEFENSE in French Sep-Oct 85 p 44

[Article: "Organization of 12th and 14th Light Armored Divisions"]

[Text] 12th Light Armored Division

The 12th Light Armored Division is stationed in three military regions. Its combat units include the following:

1. Two infantry regiments (RI): the 114th RI activated at the National Regular Army Noncommissioned Officers School at Saint Maixent, and the 3d RCP [airborne chasseurs regiment] formed of personnel drawn from the Airborne Troops School at Pau.
2. Two Armored Regiments: the 3d RCh [chasseurs regiment] equipped with AML's [light armored car], and the 507th RCC [tank regiment], equipped with AMX-30's [main battle tank], both regiments to be activated at Fontevraud [Armor Tactical Training Camp] and formed from personnel drawn from the [Armor] School.

Combat support units include: the 33d RA [artillery regiment] formed basically of reservists and derived from the 20th RA at Poitiers (artillery regiment of the 15th DI [infantry division], and the 62d CG [engineer company] furnished by the Engineer School at Angers.

Service support is provided by the 12th RCS (headquarters and service regiment) to be formed of personnel drawn from three different schools:

1. From the Transportation School at Tours: the headquarters and service company, and the transportation and traffic control company;
2. From the Signal School at Montargis: the division signal company;
3. From the Ordnance Specialists School at Chateauroux: the ordnance repair group.

The division headquarters and staff are formed entirely of personnel drawn from the Armor-Cavalry School (EAABC).

The 12th DLB has a total strength of approximately 6,000 men. Its equipment includes some 100 armored vehicles.

14th Light Armored Division

The 14th DLB is centered on the Infantry School at Montpellier. Since the summer of 1984, it has been attached to I Corps whose headquarters are in Metz. The division includes:

1. A headquarters and staff formed entirely of Infantry School personnel.
2. The 81st Infantry Headquarters and Service Regiment (RICS) consisting mainly of the following units:
 - a. A headquarters and service unit and a transportation-traffic control unit, both from the Infantry School;
 - b. A signal company from the Signal Corps NCO School (ESOAT) at Montargis;
 - c. A light armored division repair group (GRDLB) from the Advanced Ordnance School (ESAM) at Bourges.
3. A mechanized infantry regiment, the 3d Infantry Regiment, formed from the EAI-3dRI [Infantry School-3d Infantry Regiment] detachment and reinforced upon activation by all regular army NCO students at the school.
4. A motorized infantry regiment, the 4th Foreign (Legion) Infantry Regiment formed from the 4th Foreign (Legion) Regiment at Castelnaudary and reinforced by personnel from the 1st and 2d Foreign (Legion) Regiments.
5. Two tank regiments:
 - a. 1st Chasseurs Regiment formed of personnel drawn from the Armor Officer-NCO Refresher Training and Gunner Training Center at Canjuers;
 - b. 11th Cuirassiers Regiment formed of personnel drawn from the Armor Training Center at Carpiagne.
6. The 13th Artillery Regiment formed of personnel drawn from the Artillery School at Draguignan.
7. A reinforced engineer company, the 64th Engineer Company, formed of personnel drawn from the 4th Engineer Regiment at Valbonne.

The 14th DLB has a total strength of approximately 5,800 men and 120 armored vehicles.

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CSO: 3519/22

MILITARY

FRANCE

BRIEFS

INSTRUCTION, TRAINING OF RESERVES--The objective of French Army reserve instruction and training is to form units from personnel having been trained on active duty, units capable of being rapidly mobilized and conducting simple combat operations against a limited enemy. To achieve this objective, reservists receive instruction and training in two ways: individual instruction for cadre officers and NCO's, plus certain enlisted specialists; group instruction for all personnel in units. These two forms of instruction are still compulsory. They are supplemented by so-called optional instruction designed to maintain the proficiency of volunteer officers and NCO's. For their individual instruction, reserve officers and NCO's are assigned either to active duty units or to a CEPR (Premilitary and Reserve Training Center) for a period of 5 years. Optional instruction and training for reservists assigned to active duty units is given in their regiment; for all other personnel, it is conducted in CEPR's. It is exclusively for volunteers and has such varied forms as: participation in international, national, and regional rallies and competitions; and service as officers and NCO's in military preparatory schools. The army high command is especially interested in those optional instructional activities that help reservists prepare for mobilization. In this regard, they believe that the reserve officer and NCO rally helps those participating therein develop their leadership ability at the three levels of command represented, namely unit commander, platoon leader, and chief of section. [Text] [Paris ARMEE ET DEFENSE in French Sep-Oct 85 p 44] 8041

CSO: 3519/22

MILITARY

NORWAY

STORTING DEFENSE COMMITTEE CHAIRMAN KJELL FREDHEIM PROFILED

Oslo AFTENPOSTEN in Norwegian 2 Nov 85 p 10

[Article by Lars Hellberg: "Defense's Man in the Labor Party"]

[Text] As Celius says, it is good to sit in the Storting. Kjell Magne Fredheim does not regret that he has spent the past 18 years of his life on Lovebakken. But in a private conversation with AFTENPOSTEN he does not conceal the fact that from time to time he envies us political journalists, especially in the political situation we find ourselves in today.

It was 30 years ago that Johan Falkberget sat on the woodbox in the editorial room of ARBEIDETS RETT in Roros and told the young aspiring journalists about the nature of journalism. Fredheim, like so many of the others that time, regretted that he did not have better training. But Bergstaden's sayings did not apply to Fredheim's problem.

"Let me tell you one thing," said Falkberget. "If you want to be a journalist it will not help you to have a university degree. It will not help you to have two either, if you do not also have the devil in you."

To what extent it is due to a lack of the "devil instinct" which we journalists prefer to call "journalistic nerve" will remain unsaid. But it is certain that one would have to search a long time to find anyone who has anything bad to say about this popular representative from Hedmark. After 14 years as a journalist Fredheim decided to become a full-time politician. When he reported as a permanent representative on Lovebakken in 1969, he had learned the environment long before as a substitute.

"If I had known then what I know now, I am not sure that I would have become a politician," he admitted honestly. But he quickly added that he has nothing to complain about. He thrives in political surroundings and with his new task as chairman of the Defense Committee. With the rapid turnover that we have with our politicians, he is furthermore one of the real veterans of the National Assembly.

- You are one of the few who has been here long enough to see today's situation in perspective. What do you think of the state of the new houses?

"The situation is undeniably interesting. There is excitement in the question of whether the government is capable of reaching an agreement with the Progressive Party as a supporting party. I expect that Prime Minister Kare Willoch to state publicly that he is dependent on the Progressive Party. When he decides to put the cabinet question into a concrete issue, Hagen will be satisfied. That will be a clear signal that the Progressive Party is a part of the government's parliamentary foundation.

"But Willoch's authority has been weakened, and he cannot compensate for that by exercising personal power," said Fredheim, with a reference to his county colleague of many years, Odvar Nordli. In his book "Min vei" (My Way) the former prime minister put it this way: "If weakness in the parliamentary situation and weakness in the party you represent is to be compensated for by the exercise of personal power, it is my opinion that you are beyond the scope of the assumptions on which our democracy is based."

Nordli's opinion of the exercise of power is probably representative of what an entire generation of Social Democrats believes on that question. Similar to many, many others, a man like Fredheim takes the jobs that the party thinks he should have. He does his best, and a little more. But the veteran from Kongsvinger is a little unique in today's political environment. He has solid work experience, not just from the world of journalism.

He took his exams from trade school in 1946.

He first became a journalist 8 years later after having worked as a salesman and office clerk. Fredheim has seen little of the society that he is helping to shape. Twenty years after he made his debut as a substitute in the Storting, he still has the necessary respect for the speaker's chair--strong enough to admit that he is nervous.

- Have you any advice for the newcomers who mount the speaker's chair the day after being admitted--apparently without having sense enough to be afraid?

"I doubt whether that is a correct description. But if they do not have sense enough to be afraid there must be something wrong with them. If one is not nervous he cannot do his best. Take former outstanding politicians like Otto Lyng (Conservative) and Hakon Johnsen (Labor Party) as examples. When the county colleagues from Sor-Trondelag began to tramp around in the ro-tunda behind the hall we all knew that they were on the speaker's list.

"Today there are perhaps people here in the hall who do not take the speaker's chair seriously enough. Although I wonder if they do not also have butterflies in their stomachs."

- Has the rapid rate of turnover of politicians become too great?

"Let me say that 4 years is too short a time to do a good job. Considering the districts which elect representatives, and the Storting, there must be a certain continuity. Renewal is necessary, but it is also necessary to have people with experience," said the Labor Party veteran, who first served on the Foreign Policy and Constitution Committees, and later on the Church and Education Committee.

- And now you are following Knut Frydenlund as the chairman of the Defense Committee. Do you not lose contact with your own voters, with the grass roots, when you sit in such positions year after year?

"There is always a danger of that. The Storting is a dangerous workplace both ways. If one is not aware of that and does not guide himself accordingly, he will soon lose contact. I like to believe that I have had both feet on the ground all of these years. The family lives in Kongsvinger, with a life like most people, and neighbors from all different parties.

"In the Foreign Policy Committee I was especially occupied with security policy matters and our relations with NATO. At the same time I worked with development help, and that has no broad popular appeal. But I have no doubt that it is in the interest of the industrial countries to contribute their share, and preferably a greater share than we have contributed so far. In the long run the underdeveloped countries will not be satisfied to live in unbelievable poverty. Furthermore we must show greater patience and not demand that they leap over several generations in technical development in order to satisfy our ideal of a democratic society."

- As for security policy, in the speech from the throne Frydenlund began to speak of making the United States Strategic Defense Initiative a negotiating card with Moscow. Does that mean that the Labor Party has abandoned its opposition to SDI?

"Frydenlund was speaking about the actual situation. We will not negotiate away the Labor Party's viewpoint. We continue to warn against the research which goes under the name of SDI. Our goal is a prohibition of space weapons. But we must go further in relation to the situation which actually exists. Today the point is that the Geneva negotiations will come to a halt if the United States refuses to make the space weapons program a negotiating card."

- But in the relations between the Labor Party and the government has the SDI conflict been derailed so that both parties are advising President Ronald Reagan to use the program as a negotiating card?

"The advice is largely the same. We have also previously emphasized that we are ready to do our share, assuming that the government agrees to the broadest possible unification of foreign and security policy. The Labor Party

is not interested in creating a crisis for the sake of crisis. Willoch must understand that the bare majority that he had in the previous period was not an expression of where the Storting majority stands. Today the situation is different, and the prime minister can not expect to define problem positions himself.

"Furthermore it is my serious opinion that no government, regardless of how correct it believes it is, can base important parts of its defense and security policy over the long run on the barest possible majority."

- As a former member of the Foreign Policy and Constitution Committee, do you know the problems that will face you as chairman of the Defense Committee? Do we today have a defense which is capable of holding positions until help from our allies arrives?

"Mainly, yes. But there is a problem that we are using a lot of money to buy advanced aircraft which we are having problems manning. We must find a solution to that problem. However, I have no concrete instructions to contribute today.

"But let me also say that we have possibilities to receive allied help by air, even if we do not fully man our own aircraft. We of course also have antiaircraft defense. We are vulnerable, but possible attacking forces can not just go in for a landing on Norwegian airfields."

- Are you concerned about the growing American naval presence in the Norwegian Sea?

"No, but let me make a proviso. To the extent that there is a need for realistic exercises, it is obvious that American naval forces will participate. Nobody can doubt that the Norwegian Sea is "interesting" in a crisis situation, but the American presence must not reach a dimension that appears provocative. Furthermore, I think the Russians are realistic enough to realize that these exercises are and must be a part of the military picture, regardless of how much they protest," said Fredheim.

The new chairman of the Defense Committee is concerned that the defense will have a responsibility in the community beyond the purely military, mostly in places where the defense influences the local community. "I see that the defense must continue, and if possible increase its inputs in cooperation with civilian institutions. This involves thousands of civilian workplaces in addition to the military. The defense has a political significance in the districts which we will protect," said Fredheim.

As to what will happen next in the Storting during the fall, he would not predict. "As long--and only as long--as the Progressive Party gives its support, the government has a foundation for continuing," he said. The interviewer must be allowed to add that the look in his eye when he turned back to Falkenberget and the "devil" in the journalist was not to be mistaken. "In these times it must be interesting to be a political correspondent on a newspaper," he sighed, but the politician's heart did not break.

9287

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MILITARY

NORWAY

GENERAL URGES GREATER FREEDOM TO USE FORCE IN ANTISUB ACTIONS

Claims Current Procedures Obsolete

Oslo AFTENPOSTEN in Norwegian 23 Oct 85 p 8

[Article by Arve Hoff: "Tonne Huitfeldt: Foreign Submarines Should Be Forced Out, Not Up"]

[Text] Stockholm, 22 October--Lieutenant General Tonne Huitfeldt believes that the rules for "hunting" unidentified submarines in Norwegian waters should be changed, because the current rules place the navy in an impossible situation and are damaging its reputation.

His point is that it is just impossible to force a submarine to the surface. He therefore believes that it is time to lift the existing regulations on use of weapons in antisubmarine warfare.

In a proposal in Stockholm on Tuesday, Huitfeldt said that although violations of sovereignty are very serious, they hardly represent any big military threat, and should therefore not result in redeployments which would lead to weakened defense in other areas.

Huitfeldt, who recently was director of the NATO International Military Staff in Brussels, and before that was commander of the forces in North Norway, presented these viewpoints at a security policy seminar at the Foreign Policy Institute with the theme "Defense of the Scandinavian Peninsula."

In his discussion of the many submarine episodes of recent years in both Norwegian and Swedish waters, Huitfeldt pointed out in his introduction that in 1976 there was a relaxation of the Norwegian rules for use of weapons against foreign unidentified submarines, but that there are still restrictions on the use of the most effective weapon--namely the homing torpedo.

"One difficulty in our case is that the intention of implementing operation 'Duck' is to bring the submarine to the surface. Now probably everybody with

any practical experience knows that this is not possible. Nobody can force a submarine to the surface unless it wants to come up. And that is not likely with the type of operation that we are talking about here.

"By adhering to this objective in the operation, the navy is put in an impossible situation with the population. The navy can not accomplish its mission, and it can not explain why without damaging its reputation and credibility. Neither can it explain away the episode by saying that it was not a submarine as that would discredit those who reported what they saw, and make it less likely that such observations would be reported in the future."

According to Huitfeldt the solution is to change the instructions for anti-submarine action. He said that a submarine that realizes that it is discovered and that action is being taken against it probably will break off its mission and depart for international waters.

"If this is presented as the objective of the operation, namely to get the submarine to break off its mission and leave national territorial waters, the mission will be possible. At the same time it will be possible to explain why the submarine was not forced to the surface."

Huitfeldt said also that in the Norwegian military they have not been interested in raising the regulations for reevaluation because they remember how difficult it was to get them changed the last time.

He said that the time is now ripe to revise the regulations so that they will have a more deterrent effect.

"I think it would be unfortunate if submarine episodes result in redeployments of defense forces which result in weakened capabilities in other areas," said Huitfeldt.

Northern Forces Admiral Replies

Oslo AFTENPOSTEN in Norwegian 24 Oct 85 p 14

[Article by Liv Hegna: "Rear Admiral Torolf Rein: Current Regulations for Antisubmarine Action Satisfactory"]

[Text] Lieutenant General Tonne Huitfeldt's criticism of current regulations for use of weapons during antisubmarine action which came out in yesterday's edition of AFTENPOSTEN is not shared by senior officers in the navy. The commander of Naval Forces North Norway, Rear Admiral Torolf Rein, told AFTENPOSTEN that the current regulations, which were established by the political leadership in 1976, are satisfactory and give the navy the necessary freedom of action.

Rein emphasized that there are several conditions that must be fulfilled in order to be able to identify a foreign submarine in our fjords. Apart from

the necessary fact that it must be there, it is important that the navy arrive at the scene as soon as possible. Then it is important that there is good enough technical equipment to find the submarine. Rear Admiral Rein maintains that with the new sonar equipment which will be on hand in 1987 and beyond, the navy will be in reasonably good shape to find unwanted guests in our territorial waters. "This equipment is being procured primarily for war-time operations, but it will naturally be available also for use in peacetime," he said.

One of the main problems in the navy today in antisubmarine warfare involves technical devices for identification of the foreign ship, but as to the rules for use of weapons when it is first discovered, Rein said that there is no reason to change the rules.

"If we are able to identify a foreign submarine we will use weapons to bring it to the surface, or in the worst case to sink it. That is a fact that the power which is sending submarines into our fjords must take into consideration," said Rear Admiral Rein to AFTENPOSTEN. He added that the main goal would not be to sink the submarine, but to identify it. When that is accomplished it becomes a political question what to do with it.

"But during the war submarines were forced to the surface with a totally exhausted crew on board. Why can not the same thing happen in peacetime?"

"During war one has a specified enemy. The game is clear. When a foreign power sends submarines into Norwegian fjords it is very sensitive activity, and the ship's captain probably has orders to go down with his ship rather than to surrender," said Rear Admiral Torolf Rein.

At the headquarters of the Chief of Defense AFTENPOSTEN learned that the use of torpedoes during antisubmarine action brings a number of problems of a technical/tactical nature. In the first place the ship's captain must have authorization from the highest authority before torpedoes are fired. In the second place the use of torpedoes in narrow Norwegian fjords can have a number of annoying consequences besides that of sinking a foreign submarine which has penetrated a Norwegian fjord.

Simrad Subsea I in Horten concluded a contract earlier this year with the Swedish Navy to deliver high technology sonar equipment specially built for use in the Baltic. The value of the contract was 12 million kroner.

Last year the Norwegian Defense Department entered an agreement with the French firm Thomson CFS for the purchase of sonar equipment for Norwegian frigates and corvettes costing 94 million kroner. The seven hull-mounted sonars are a step in the modernization program for these ships. In addition five variable depth sonars will be purchased which will be mounted on the sterns of the frigates and which will be used in wartime in the final decisive phase of antisubmarine warfare.

9287

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MILITARY

NORWAY

PAPER URGES INCREASING ARMED FORCES STRENGTH

Oslo AFTENPOSTEN in Norwegian 16 Nov 85 p 2

[Editorial: "The Defense Must Be Strengthened"]

[Text] Our defense forces are not nearly what they should be in the light of the threat which the Soviet buildup of strength in the north constitutes toward Norway and NATO. The introduction of large helicopter units with both attack and transport helicopters increases the mobility of the Soviet forces and their ability to advance their positions at the same time as the new types of fighter planes have increased range and combat capability. The tactical nuclear weapons on the Kola Peninsula can only be intended for use against Nordic targets, and the landing craft in the Soviet Northern Fleet are in any case not planned for overseas operations.

A sober evaluation of the relative strengths can only confirm that our own relative defense capability is weakened. With the very important needs which exist in the material sector the assumption of an annual real growth of 3.5 percent in defense appropriations will not be sufficient to maintain an adequate national defense. We regret having to confirm that at the same time there seems to be a limit to what is politically possible. Briefly put, we have a defense which is neither better nor worse than the limited appropriations make possible.

Compared with other NATO countries we are still better than indicated by our national input. But regarding this somewhat flattering comparison, one must clearly understand that Norway has a unique strategic significance, which is growing. And the Soviet military dominance in the north is still growing. The central approach to the problem emphasizes how important it is for us on our side to correct the situation as much as possible so that we can receive and support allied forces. Shortages in all branches of the defense forces create doubt in our ability to maintain the fight while awaiting allied assistance.

Advanced storage of heavy allied equipment is an important contribution to improving the situation. The same applies to the buildup of an effective anti-aircraft force. We are also pleased with the emphasis that the military

leadership has placed on rationalization and improving efficiency. The recommended introduction of computer processing in personnel administration and the modernization of brigades can give the soldiers several days under field conditions, which in itself is a strength.

But we have a long way to go before we can say with certainty that our own defense is capable of accomplishing its part of the tasks. When the opposition seems to believe that it is possible to reduce the growth rate of 3.5 percent without further weakening the defense forces it is an attempt to pull the wool over the eyes of the people. The government's proposed budget bill represents the absolute minimum.

9287

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MILITARY

NORWAY

SENIOR AIR FORCE PILOTS TO GET BONUS TO IMPROVE REENLISTMENT

Oslo AFTENPOSTEN in Norwegian 1 Nov 85 p 5

[Article by Liv Hegna: "Measures Against Pilot Crisis: Bonus Temptation Also For Older Military Pilots"]

[Text] The Defense Department has decided that pilots over 35 years old will be tempted with a bonus of 1.2 million kroner if they remain in the air force. Originally an upper age limit was placed on this arrangement, but the political defense leadership has now set it up with the Finance Ministry that the older key personnel among the fighter pilots will get the offer. The temptation to apply under this limited offer is ending today, Friday, so those over 35 who have not applied, but who are thinking of continuing their pilot service, must hurry with their application.

Under Secretary Oddmund Hammerstad emphasized that the bonus system will continue to be a selective arrangement. There will still be a quota of about 20 who will be offered the bonus by the defense leadership. Hammerstad sees it this way:

"In order to prevent frustration in individual key personnel who are also over 35 and who are considering seeking another job, we decided to invite individuals of this category the bonus of 1.2 million."

The Defense Department believes that the younger pilots in the air force can consider departure in the coming years. Hammerstad maintains that lengthening of obligated service from 6 to 8 years will help this.

Under Secretary Oddmund Hammerstad is now occupied with finding both a short term and a long term way of retaining junior officers in the service:

"When the young pilots go to Texas to train in flying fighter planes, they compare their future in the air force with a career as a pilot captain in SAS. In this decision it is the lifetime pay which is a dominant factor.

"I believe it is now a question of whether we must look at the pay of the higher grades.

"Furthermore I believe that the young pilots must be encouraged a little more actively to attend the War College and the Staff College. They will thereby get a taste of the higher positions in the air force," said Hammerstad.

9287

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MILITARY

NORWAY

INCREASING NUMBER OF BOOT CAMPS TRAINING WOMEN RECRUITS

Oslo AFTENPOSTEN in Norwegian 9 Nov 85 p 4E

[Article by Liv Hegna: "Some Recruit Schools Are Open to Girls"]

[Text] Fourteen of Norway's 23 recruit schools do not accept female students. In response to questioning by a representative of AFTENPOSTEN, it was stated that eight schools definitely have accepted or will accept girls in 1985. One recruit school allegedly will have converted barracks with space for women completed as of April 1986. As early as December 1984, the Storting adopted a resolution to the effect that women should have the opportunity to undergo basic training on the same basis as men. At the same time, the Storting did away with all limitations in regard to the performing of military service by women.

Female soldiers will encounter barred doors at all recruit schools for the infantry. Girls will also not get into Heistadmoen, Steinkjersannan, Evjemoen or Sessvollmoen. Lack of space is used as an argument against admitting them, but the most frequent reason offered is that there is no way that women could have their own showers and toilets in the existing buildings.

Women are not welcome in the cavalry (Trandum) or the engineers' corps (Hvalsmoen, Eggemoen). The attitude is conditionally favorable at the field artillery recruit school at Haslemoen, where they say that a request for the money to convert must be submitted before they will begin to take women in.

At the recruit school for Army Communications at Jorstadmoen, they say that they have no problem in regard to women and that six of them are undergoing basic training at the present time. The money for the necessary conversion was taken from the budget for internal maintenance. Where the Army Transportation Corps and the Military Police in Vatneleiren are concerned, there are five female students at each of the two recruit schools at present.

In the case of the Army's Weapons Technical Corps at Helgelandsmoen, they would like to take in women--six girls--so that the space available there will be filled. The corps has one woman at present.

The Army Medical Service at Lahaugmoen accepts girls and the Army Quartermaster Corps at Gardermoen has a few female recruits.

On the other hand, the Air Force's recruit school at Gardermoen adopts a negative attitude toward women. "There are no facilities for quartering them," is the answer AFTENPOSTEN got. They state that the Air Force's requirements for female recruits are taken care of through the acceptance of applicants at the National Defense air bases. The answer to a question as to whether women are welcome is "yes."

New Buildings

In the Anti-Aircraft Artillery, brand-new buildings are being built at the Bardufoss air base and arrangements are being made there to accommodate female students. The first one has announced that she will arrive in January 1986. At the Orland air base, recruits live in old German barracks, so they hope that girls will not apply there. At the Bodo and Andoya air bases, they say that if, contrary to expectations, female recruits are assigned to them, they will go through with the job and hope that the practical details can be worked out satisfactorily during the process.

In the Coast Artillery, the door is closed to women. They are not interested in receiving female recruits at Odderoya or Hysnes.

However, women are welcome at the Harald Harfagre Royal Norwegian Navy recruit school of the navy as of mid-October 1985. Army inspecting officers have been instructed to knock on toilet doors before they go in. Colonel Dagfinn Danielsen of the Army staff has told AFTENPOSTEN that the military high command wants to avoid unpleasant episodes of all kinds. "We continue to be so modest here in this country that such an injunction can be felt to be necessary," Danielsen says.

Colonel Danielsen answered in the affirmative when asked whether it was really necessary to send a special circular letter to officers instructing them to knock on toilet doors before entering.

New Hooks on Doors

At the Navy's recruit school at Madla outside of Stavanger, there are 14 female students at present. There they have invested in hooks costing 4.75 kroner apiece for each toilet door, so that the women can protect themselves against having inspecting officers come bursting in. At Madla, the girls have gotten their own times for showering, since there is only one shower in each building, but the female recruits have their own cabins.

The Storting has adopted a resolution to the effect that women are to be given the opportunity to go through basic training on a voluntary basis along with the men and for the same period of time as is prescribed for men (12 or 15 months). At first, it was stated that the training was to be given within the previous limitations on military service by women that had been adopted by the Storting. Those limitations were done away with by a resolution adopted by the Storting on 20 November 1984.

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MILITARY

NORWAY

BRIEFS

DEFENSE BUDGET GROWS 3.5 PERCENT--The Storting Defense Committee unanimously approved a number of adjustments in the current year's defense budget. The total added expenses are 622.6 million kroner, while reductions in a number of budget items total 390 million kroner. In order to maintain the goal of real growth of 3.5 percent, an additional appropriation of 231.9 million kroner is necessary. In view of the fact that the Storting previously approved that goal, the Labor Party announced that they would not vote against these additional appropriations. The matter will be debated in the Storting tomorrow. [Text] [Oslo AFTENPOSTEN in Norwegian 4 Nov 85 p 3] 9287

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MILITARY

PORTUGAL

MILITARY MANEUVERS REVEAL HIGH COST OF WAR

Lisbon DIARIO DE NOTICIAS in Portuguese 16 Oct 85 p 2

[Article by J. Fragoso Mendes: "First 4 Days of War Would Cost the Country 10 Million Contos"]

[Text] The "Orion 85" exercise, which ended yesterday, cost the army about 15,000 contos. If, moreover, it were a question of real war, involving more than 25,000 men, 5,000 vehicles and all of the necessary weaponry instead of the 3,400 men mobilized and the limited equipment used in the exercise, the Portuguese state would spend something like 10 million contos in the first 4 days of action alone.

According to the Administrative Logistic Command (CAL) for the Orion 85 exercise (the body whose organization and functioning has now been tested, with a view to obtaining information for the definition of the programs for supporting army forces during military operations), 80 percent of this extensive sum would be accounted for by ammunition, in a real situation.

Hugo dos Santos, who heads the CAL, stressed that the data gathered during Orion 85 and the working methods used will make it possible to draft tables adapted to the real Portuguese situation, where material costs and needs for dealing with a future war situation are concerned.

He said that the 10 million contos would pertain to a "total engagement" situation, that is to say a stage of intensive combat. According to the CAL figures, the situation for "maintenance" of the military apparatus, without contact with the enemy, would involve a natural and extensive reduction in costs to a sum between 25 and 30,000 contos per day.

Preparing the Army for 1990

Orion 85 was designed basically to test the army forces system "and the concept of its use within the tactical and logistic sectors." It was an exercise on a national scale for "command posts," meaning that more "brains" than combat units were involved.

Moreover, to deal with the threat of the "orange forces" (representing the enemy), the high command had available on paper six brigades, whereas at present in 1985, the Portuguese army actually has only three.

Pezarat Correia, head of the Operational Command Staff for the Land Forces (COFT) and the officer responsible for planning the exercise, spoke in this connection of hoping "to see them in action by 1990."

"We are preparing today for a time 5 years away, linking a certain amount of imagination with the reality, which will enable us to correct errors and make the necessary adaptations," this general officer told the journalists who visited the "nerve center" for all the operations in Santa Margarita.

Pezarat Correia, like the vast majority of the high-ranking officers involved in Orion 85, placed a certain amount of emphasis on the fact that the army lacks the resources for carrying out its mission, particularly aircraft, one of the "battle horses" of the branch. This information is reported to have been communicated to the ministers of defense and internal administration in a lengthy briefing, also held in Santa Margarita, shortly before the meeting with journalists.

Rui Machete (who was accompanied by Secretary of State for Defense Figueiredo Lopes) and Eduardo Pereira learned of the need for greater resources and a clear definition of concepts so that, as DIARIO DE NOTICIAS was told, the armed forces can "fully carry out their mission." This information was obtained from the high-ranking military commanders--CEMGFA [Armed Forces Chief of Staff] Lemos Ferreira and the heads of the three armed forces branches were present--in connection with the explanation of the Orion exercise.

"Orange Invasion" Through Alto Alentejo

With specific reference to Orion 85, the general plan was not much different from that for earlier maneuvers.

Generally speaking, the exercise was based on an imaginary situation, with the "orange forces" invading Portuguese territory across the frontier to the south of Tejo, in the Alto Alentejo region, with a view to cutting off "the substantial flow of supplies being received by the Spanish forces from the Lisbon-Setubal region."

Later, special troops (also "orange") landed, together with the invading forces, in the Marinha Grande zone, to infiltrate the Candeiros mountain region.

It was precisely there that, in the course of the exercise, the troops directly involved in Orion 85 (Special Forces Brigade) went into action.

With valuable communications support, which was also and especially being tested, under the command of Lt Col Vasco Lourenco, the "commandos," after several days of "operations" in the heart of the mountains, finally neutralized the "enemy forces," hemming them in as a result of actions made possible by information obtained from the interrogation of "prisoners" (day

before yesterday, 22 invaders were "captured") and communications interceptions.

The general guidelines for Orion 85 were designed to "contribute to optimizing the resources made available to the army," despite the fact that the exercise was carried out, according to the general staff, "in an obvious desire to limit expenses, which it is difficult to reconcile with the preparation and training of soldiers with a view to carrying out their missions in the overall effort to defend the national territory."

5157

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MILITARY

SWEDEN

COUNTRY'S ARMED FORCES, SUPERPOWERS IN BALTIC SURVEILLANCE

Stockholm DAGENS NYHETER in Swedish 3 Nov 85 p 7

[Article by Olof Bergman]

[Text] Around the clock throughout the year there is an intensive surveillance activity on land, at sea and in the air in the vicinity of the Baltic Sea. East and West spend billions on personnel and equipment for the purpose of keeping an eye on each other.

Twice a week an SR71--a special American plane--flies over the Baltic Sea at an altitude of 30,000 meters with a speed that is two and a half times the speed of sound. With sophisticated equipment for auditory and photographic surveillance the plane notes everything of interest from East Germany to the Soviet Union.

A curious feature about the SR71 is that on its homeward route it always flies in a narrow international corridor between Gotland and Oland.

This is a strip barely 10 kilometers across that requires very precise navigation. At its narrowest point near Gotland's southern tip it is barely 4 kilometers wide. Incidentally no Swedish planes are fast enough to catch up with the plane and set it straight if our border is violated.

Defense Staff information chief Hans Dahlberg mentioned this airplane activity as an example of the intensive surveillance of what is called the "Sea of Peace" in other contexts. On the NATO side it is primarily West German, English and American planes that fly fairly regular routes in the area.

"We call them streetcars," said Hans Dahlberg. Of course the East bloc countries keep an eye on this traffic but since it occurs over international waters there is nothing they can do about it.

The intensity of surveillance increases sharply on both sides when larger exercises take place. An example is the recent NATO exercise that included the U.S. Navy's ships, the "Iowa" and the "Ticonderoga." Another example is

the annual fall maneuvers the Warsaw Pact lands have held for the past decade with landing exercises at various points along the Baltic coast. A massive signal reconnaissance activity was launched to keep track of what was going on and to draw conclusions about the strategic aims of the exercise.

When the Swedish search for the submarines in Harsfjarden was at its height the Russian signal reconnaissance plane "May," an Ilyushin 38, flew in the international air space near the area day after day. In the recent incident with the "Orion," it was reported that the Russians attempted to establish signal communication between a submarine and the airplane that was being followed by the Swedish craft.

A forest of antennas often reveals vessels on signal reconnaissance missions. The Russians often use civilian craft such as fishing boats and do not allow anyone to come on board if they can avoid it. On commercial vessels that travel along the Swedish coastline there are locked rooms that not even customs agents are allowed to look at.

"The Russians are extremely secretive," said Hans Dahlberg. "But this is almost a tradition, they have always been like that."

Billions Involved

Hans Dahlberg was unwilling to guess how much money the two blocs spend on signal reconnaissance in the Baltic Sea region, but the amount is in the billions. He was also reluctant to say how much the Swedish activity there costs.

According to newspaper files the Swedish Defense Staff had 180 million kronor in the budget a few years ago for the military intelligence service. Most of this money goes to the Defense Radio Institute, FRA, which is in charge of signal reconnaissance on land, at sea and in the air. The armed forces provide some personnel, such as pilots for fighter and reconnaissance planes, but otherwise FRA mainly employs civilian personnel.

The ship "Orion" which has been in the news lately belongs to FRA's reconnaissance unit and has both military and civilian personnel on board. All have special training for this type of activity.

Swedish signal reconnaissance is purely defensive in nature and surveillance is aimed at both East and West. Caught between the two defense blocs Sweden is unable to cooperate with any other country. That would jeopardize its neutrality. Therefore relatively large amounts of money must be used for this purpose.

Two Airplanes

In addition to the "Orion," which was launched and put into service in 1983, there are two specially-equipped airplanes of the Caravelle type for signal reconnaissance and photography. They were put into service in 1974 and have

been in constant use ever since. At least several times a week they are on reconnaissance missions in international air space. What is inside these planes is so secret that no journalist has been allowed to see them since they were remodeled.

It is the hope of the armed forces that in 5 years they will be supplemented with radar reconnaissance planes. There are plans to acquire some planes of the new Saab-Fairchild propeller type for this kind of assignment. With the help of such planes one can detect attacking airplanes at a distance of 300 kilometers, for example. But these radar planes will probably only operate in Swedish air space.

With the help of signal reconnaissance the defense system is trying to detect a pattern or superordinate strategy in the military activities in various places around the Baltic Sea.

Computers

The detection of signals from various military units and from radio and TV programs is just the beginning of FRA's work. The really hard part is interpreting these signals.

"We are getting a lot of use out of computers which help in interpreting signals," said Hans Dahlberg.

Just as microfilm is used in espionage to send information one can also use microsound. A signal lasting only a second or two can be made comprehensible with the aid of a computer, which enlarges the signal. One "only" has to find the right key.

Separate Authority

This is where FRA's personnel on Lovon come in. An incredible number of signals are picked up and without computers it would be impossible to classify, study and evaluate this mass of information. This requires human experts with linguistic skills who are familiar with all the conceivable variations of political and military strategic thinking. When FRA has analyzed the material it goes to the Defense Staff and, if this is deemed necessary, directly to the government.

The Defense Radio Institute, FRA, is located on Lovon off Drottningholm, west of Stockholm. There civilian experts interpret all the material derived from signal reconnaissance.

FRA is a separate authority within the armed forces and is run by a director general. The current director general is Par Kettis who was appointed on 1 July 1982. He was formerly in the diplomatic service, most recently as a minister in Washington.

It is said that the Defense Staff can request services from FRA but no one else can do so. The institute works solely on supplying the armed forces with information on everything of importance that is picked up in the air.

Very sophisticated radio equipment is used in ground stations in various parts of the country as well as at sea and in the air to supervise and decipher everything that is happening on the air waves.

Mass Media Irresponsible

"Journalists should feel more responsible for Swedish security policy." So said Foreign Minister Sten Andersson, who is very critical of the mass media's handling of the so-called Orion affair.

"Journalists as well as politicians must behave responsibly when such serious matters as our security policy and our independence are involved," Sten Andersson said.

"One should not whip up feelings that might lead to other incidents."

The chairman of the Publicists' Club and editor in chief of the OSTGOTA CORRESPONDENTEN, Bertil Torekull, sharply criticized the foreign minister, however.

"As Sten Andersson presented the matter the public might get the impression that the Swedish government would rather that the media did not deal with issues and incidents without receiving the approval of the authorities for each opinion and speculation presented."

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MILITARY

SWEDEN

HOME GUARD UNITS GETTING SEA TRAINING FOR ANTI-SUB ROLE

Stockholm DAGENS NYHETER in Swedish 3 Nov 85 p 7

[Article by Anders Ohman]

[Text] The Home Guard is going to sea to take an active part in dealing with incidents. Some 3000 Home Guard people in 300 groups are being trained to guard the 270-mile long Swedish coastline.

Radar surveillance over the ocean, the mining of coastal stretches and optical reconnaissance of the ocean are some of the Home Guard's new maritime tasks.

"We see this naval activity as a positive challenge for the Home Guard. Our organization contains stable and mature men who have good judgment," said the head of the National Home Guard, Major General Robert Lugn in a statement to DAGENS NYHETER.

The Home Guard has been given a new role in Sweden's incident preparedness. This is connected with the submarine violations of recent years. OB [Supreme Commander of the Armed Forces] has been able since 1 March of this year to order the Home Guard to assist him, for example in the event of a submarine incident. Before that a government resolution was required.

To meet the new demands that are being made the Home Guard is beginning to train emergency forces in various parts of Sweden that can be put into action on very short notice.

Ordinarily a Home Guard man keeps both his weapons and his equipment at home. He can be on the spot within half an hour.

In all Swedish defense areas 300 Home Guard groups with maritime assignments will now be organized. The organization, training and equipment of these groups should be completed by 1990.

Radar Surveillance

The maritime Home Guard will be given about 10 new assignments to carry out. Radar surveillance of the ocean is one of them. The ability to set up a

mobile radar station quickly in an archipelago area can be very important in the event of a submarine incident.

Home Guard personnel in special optical reconnaissance groups will scan ocean areas with the help of binoculars, maps and compasses. They will be trained to identify ships and other objects in the water.

"Alert eyes are needed in our coastal areas, especially now that there are fewer permanent residents along the coast and lighthouse keepers are being phased out," said Robert Lugn. Special boat groups will take care of reconnaissance and transport. The Home Guard will rent local fishing boats and other small craft for these tasks.

Special mine groups will lay mines with the help of boats. If alien underwater activity has been detected in an archipelago area, for example, it will be the task of the Home Guard to quickly seal off channels and outlets.

Mine Stations

The Home Guard will also be able to man the permanent mine stations located along the coast which are normally manned by the coastal artillery. In peacetime these mine stations are unmanned.

The main tasks of the maritime Home Guard can be summed up as reconnaissance, surveillance and defense. The organization will be developed in cooperation with the naval auxiliary corps, also a voluntary defense organization with maritime experience.

The Home Guard's new incident preparedness role also has judicial consequences. In connection with the 1984 Karlskrona incident the military introduced a temporary defense law. Armed military personnel made repeated searches of civilian residents. At times this led to a great deal of irritation.

Home Guard personnel must be given detailed instructions about how to behave.

The Home Guard chief is optimistic about the possibility of fulfilling the new requirements and expectations. Recruitment is no problem. Motivation is high. For example there are about 1000 immigrants who have become Swedish citizens serving in the Home Guard. They do not feel like good Swedes unless they are able to defend their country.

"We do not want to single out these immigrants in any way. But we are proud to have them with us. They can teach us that freedom is worth defending," Robert Lugn told DAGENS NYHETER.

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MILITARY

SWEDEN

FORMER DESTROYER COMMANDER DESCRIBES ACTIONS AGAINST SUBS

Stockholm DAGENS NYHETER in Swedish 4 Nov 85 p 6

[Article by Anders Ohman]

[Text] The navy observed a small foreign submarine, possibly a "minisub," in Gullmarsfjorden in 1966. No one believed in the sighting even though a naval vessel was in close contact with the submarine.

The former commander of the destroyer "Halland," Commander Hans von Hofsten, made these remarks to DAGENS NYHETER.

The Swedish people were not informed of three serious submarine violations, according to Hans von Hofsten--Faro in 1962, Gullmarsfjorden in 1966 and Karlskrona in March 1980. On these three occasions armed action was taken by naval vessels using depth charges and antisub missiles.

One of the hitherto unreported submarine violations occurred in Gullmarsfjorden in October 1966 in connection with war maneuvers, according to Hans von Hofsten. At the time he was on the military operations staff in Skovde. Several reports of suspected foreign submarines came in to the naval operations staff.

Mechanical Contact

A submarine search was launched when a draftee reported seeing a full-length submarine inside Gullmarsfjorden. Two minesweepers later were in "mechanical contact" with an object hovering at a depth of 15 meters at a point where the bottom depth is 30 meters. The minesweepers had first dropped warning charges in the water. When nothing happened two 50-kg leads were lowered toward the underwater object and at a depth of 15 meters the cables slackened. At the same time a big burst of air bubbles came to the surface.

While the minesweepers were probing the depths a larger minesweeper brought in depth charges.

The coastal minesweeper later came to the spot and dropped its depth charges. None of the vessels had probe equipment beneath the surface of the water and

there was no contact following the armed attack. The next morning an oil slick was spotted on the water.

Bottom Cleaned

The navy suction-cleaned the bottom in the area and talked to local people. The National Natural History Museum was also asked if the object could have been a whale. This possibility was ruled out.

"The analysis later showed that it was a submarine. No doubt about it. There were indications even then that it was not a submarine of normal size but a smaller one. But we did not react, I am sorry to say. As far as I know there was no analysis of the size of the object," said Hans von Hofsten.

The analysis showed four reliable indications of a foreign submarine that was smaller than conventional subs. It was operating in shallow waters where navigation is difficult.

"I do not think it was a minisub, but it was a smaller type with a displacement of roughly 200-300 tons," said Hans von Hofsten.

He later reported the incident to the OB and the chief of the defense staff.

"They rubbed their chins and looked thoughtful but they did not have anything to say. No criticism, no praise, they just thanked me and let me go," said Hans von Hofsten.

He had his first direct experience of a submarine incident near Luleå, north of Gotland, 4 years before that in 1962. One of the navy's destroyer divisions was waiting for a target for anti-aircraft firing practice. The sea was calm and covered with mist.

An officer noted a radar echo of an object traveling very slowly on a steady course. Nothing could be seen from the bridge. They turned on the loudspeaker equipment and soon had three positive indications that collectively pointed to a submarine, a "doppler" effect, a metallic object and pressure sounds. All three destroyers made contact with the submarine and formed a battle line to evict the submarine from Swedish territorial waters with the help of depth charges and antisub missiles.

Depth Charge

"When a depth charge was dropped we heard the submarine screaming. The engine sound accelerated and there was a terrible racket. The submarine was running a course running parallel to our territorial ocean boundary. That was where the other destroyers also came in hydrophonic contact with the submarine," Hans von Hofsten told us.

The submarine, which was traveling at a speed of about 10 knots, was then pursued by the Swedish naval destroyers in battle formation. The three

ships each fired off a missile. These exploded several hundred meters from the submarine which made a 90-degree turn toward international waters. The three destroyers followed the sub to the Swedish territorial boundary where they turned back. According to instructions the navy was not allowed to follow foreign submarines into international waters, since such conduct was regarded as unnecessarily provocative.

In his reports on submarine incidents OB Lennart Ljung usually cites the Uto incident in 1980 as the time when foreign submarines started behaving differently. They started refusing to leave Swedish waters despite warnings from the navy. Hans von Hofsten, as the commander of the destroyer "Halland" was the one ordered by OB to employ firepower against the foreign submarine near Uto. This happened in the fall of 1980.

Soviet Buoy

On 12 March of the same year the "Halland" chased a foreign submarine just outside the inlet to Karlskrona in Bleinge archipelago. After the submarine chase ended a floating object was found which turned out to be a hydrophone buoy of Soviet origin.

The "Halland" was newly-supplied with an untrained crew and on its way in to the Karlskrona navy base when the signal came in that a periscope had been sighted off Hasslo by a minesweeper.

"Without waiting for orders I turned around and moved at top speed. It did not take long at all. I was on the spot 20 to 25 minutes after the signal was received. I received orders to act. The sub had submerged and pulled down its periscope. Nothing could be seen but it did not take long before we made contact with it by hydrophone.

"Water conditions were very good. There were isothermal conditions, with the water being at the same temperature from the surface to the bottom.

Tricks and Strategems

"The sandy bottom was even and smooth. When we dropped a warning charge the submarine began moving out but not straight out. It increased speed, turned sharply and changed depth. We lost it, searched and found it again. It was then on a different course going in a primarily southerly direction. The hydrophone showed a "doppler" effect, propeller noise and metallic noise--it was definitely a sub.

"The commander of the submarine resorted to all the tricks and strategems submarine people have at their disposal in order to get away," said Hans von Hofsten. The submarine was "lost" a dozen times and then redetected.

Then something very strange happened. The foreign submarine stopped at the territorial boundary and started transmitting with its hydrophone. The "Halland" received the sub's hydrophone signal directly.

Disappeared

Suddenly the sub stopped transmitting and disappeared. But it turned up again on a northerly course heading in toward Swedish waters. The "Halland" then dropped a 100-kg live depth charge.

"We stayed there for a while and searched but we did not find anything. But we did find an object on the surface which we took on board. It was a hydrophone buoy that can be dropped from an airplane and used for picking up sounds underwater. The buoy was of Soviet manufacture.

"That does not prove that this was a Soviet sub. There are hundreds of buoys like this floating around in the Baltic. I cannot swear that it came from the submarine. No one had seen it before and the sea was almost smooth. It was probably released by the sub," said Hans von Hofsten who did not consider the find sensational. Submarine commanders used to release objects in World War II in an effort to mislead searchers.

U-137

After the 1980 Karlskrona incident there was the Uto incident that fall. The navy sent in its analysis group then. After that the Soviet U-137 submarine ran aground in Gasefjarden in October 1981.

On the same day that the Harsfjarden incident started rolling in the fall of 1982, Hans von Hofsten said goodbye to the destroyer "Halland" at Musko naval base.

"It was my bitterest moment as a naval officer that I was unable to take action," said Hans von Hofsten, now head of the arms training school at Berga Naval Academy where he trains navy officers in chasing submarines.

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MILITARY

SWEDEN

LIMITED COASTAL DEFENSE CAPABILITIES NOTED

Stockholm SVENSKA DAGBLADET in Swedish 5 Nov 85 p 6

[Article by Lars Christiansson and Roger Magnergard: "The Navy Can Only Defend a Limited Part of the Coast"]

[Text] Sweden has no naval forces for deployment on the west coast and in the Gulf of Bothnia in the event of war or a crisis situation.

"We have left off the west coast and Norrland," says Rear Admiral Claes Tornberg, chief of the Coastal Fleet. "Our units would definitely not suffice for solving the naval operational missions there."

In other words, in a critical situation there is not a single naval unit north of Oresund or the "Market" beacon, which is in line with Aland.

This week the greater part of the Coastal Fleet gathers for a final exercise in the Stockholm archipelago. On Monday morning all of the ships were anchored outside the Berga Naval Schools. In the space of not quite 1 hour they moved to various wartime anchorages.

"A measure designed to increase emergency preparedness," Tornberg states. The enemy should not be allowed to wipe out our entire fleet in one attack. Also, individual minisub units should not be capable of slipping past our nets and finding us all together.

Over a cup of coffee on board the staff and mine ship Visborg the head of the coastal fleet develops his view of the situation in the Baltic Sea.

'Too Few Units'

"We have too few units. Exactly how many more ships we need in order to deter is difficult to say, but we are approaching too low a level."

Tornberg concludes that interest in the Baltic Sea has increased in the two pacts. The Soviet doctrine implies a strong defense of the motherland with opportunities for cautious expansion.

NATO want to lock the Warsaw Pact into the Baltic Sea. At the same time NATO is hoping to be able to bring about a collapse of communism from the inside, partly by halting the transfer of technology.

It is clear, according to Tornberg, that the Soviet Union is consolidating its military power in the Baltic Sea--slowly but surely. Examples of this is on the one hand improved aircraft capacity, and on the other that ordinary merchant ships have recently participated in military exercises.

Old Submarines

And old submarines of the Whiskey type are not scrapped but given new duties. Among other things they are used to transport diversionary units and lay mines.

"The operational change with increased focus on the Baltic Sea is horribly clear," he says. "The risk of a surprise attack, before we have mobilized, is significantly greater today than just a few years ago."

"This is why we must anticipate a brief preparation time and that we may be forced to fight during the mobilization itself as well."

However, Tornberg does not believe that an attack on Sweden will come like a bolt from the blue. We will have prior warnings, "but it is up to the politicians to interpret the information correctly and act accordingly."

He states that we have favorable defense preconditions around us and that the Baltic is a moat--on condition that we have the weapons with which to defend the moat. Otherwise the sea is the best of all roads of transportation.

"The quality of our ships is good. And a ship-borne enemy attack is risky on many points. In order for us to be able to deter and eliminate a threat we need to have a large number of units which can hit the enemy's weak points." Tornberg is of the opinion that more ships of the type acquired by the Navy in recent years would increase protection against both invasion and foreign submarines along our coasts.

"Today the chance of discovering a foreign submarine in our waters is very slim--less than one percent. In order for the nation which is violating our sovereignty to stop, the risk of discovery, in my opinion, must be at least 10 percent."

"This 10-percent risk is not achieved until we have four to six permanent submarine forces. In 1990 Sweden will have one and one-half such forces."

A submarine force consists of two to four coastal corvettes, two submarines, one patrol boat division, two to four minesweepers, three to four heavy helicopters and surface-covering intelligence material.

Four to six forces may become reality in the year 2000 at the earliest, based on approval of Supreme Commander Lennart Ljung's most extensive proposal for the defense decision.

Tornberg emphasizes that the submarine violations "are definitely continuing and that we must regain the initiative as soon as possible."

40-Hour Week

"Today we have submarine protection capability, not hunting capability. In order for us to be effective we must be able to hunt the enemy. But we have too few ships and the 40-hour week."

Captain Nils-Ove Jansson, who is a tactical officer in the coastal fleet and has drawn up the guidelines for several submarine hunt exercises which have become reality, concludes:

"We know that minisubs have been near our mine lines and other fixed bottom systems. But that is not their principal target--it is wartime preparations in general."

"But the minisubs and all that belongs to them are unique. They are the only units which can scrutinize our defense in detail under water. And always when we receive reports we look for which 'sugar lumps' in the area might conceivably have attracted the enemy."

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MILITARY

SWEDEN

AIR FORCE ORDER OF AWACS PLANES ANNOUNCED

Stockholm SVENSKA DAGBLADET in Swedish 5 Nov 85 p 6

[Article by Erik Liden: "Air Force Buys Radar Reconnaissance Planes for 600 Million Kronor"]

[Text] In 1985 the Swedish Air Force will buy three to five AWACS, which including equipment will cost more than 600 million kronor. Bids from Saab's aircraft division, among others, will be submitted in early 1986.

Ericsson's defense sector in Molndal has already received a 73-million-kronor order for experimental equipment to be mounted on the Metro aircraft which the military uses for VIP transports. According to the Defense Materiel Agency, FMV, larger aircraft types such as the Saab SF 340, might be considered.

Saab has already made a preliminary bid of five SF 340's at a price of 5.8 million dollars per aircraft, that is to say at today's dollar exchange rate about 230 million kronor. Including radar equipment from Ericsson, four of the reconnaissance aircraft will then cost approximately 600 million kronor at today's monetary value. The money has been allocated in the plans submitted by Supreme Commander Lennart Ljung to the government on 30 September.

As described earlier by SVENSKA DAGBLADET, the AWACS planes will operate around the Swedish borders for early detection of air attacks and ship accumulations. The radar is well suited for surveillance at low altitude and for surveillance at sea. At low altitude the Ericsson radar can see far into the Soviet Union, more than 200 kilometers.

In cooperation with the ship Orion and the two Caravelle aircraft which serve the Defense Radio Institute, FRA, the radar reconnaissance aircraft will be a valuable complement to the signal reconnaissance conducted by the other three units.

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SWEDEN

A-BOAT LEADS TO JOINT EFFORT, MORE COMMENTS

SVENSKA DAGBLADET in Swedish 5 Nov 85 p 6

[Article by Erik Liden and Bjorn Hygstedt: "Supreme Commander on Submarine Incidents: 'Government Informed'"]

[Text] Supreme Commander Lennart Ljung personally has filled the government in on all serious submarine incidents since 1980, thus including the dropping of the depth charges in the approaches to Karlskrona which took place from the destroyer Halland in April 1980.

On the other hand, the supreme commander has no knowledge of any detailed reports his predecessor submitted in the 1960's and 1970's. It is evident, however, that in the mid-1970's Stig Synnergren informed the government of suspected submarines in connection with the publication of a picture of a suspected foreign periscope west of Gotland. That picture was of poorer quality than this fall's picture from the west coast.

"The government has received all required information," the supreme commander says in a brief comment on Captain Hans von Hofsten's critical debate contribution in SVENSKA DAGBLADET regarding, as he sees it, the politicians' lack of confidence in the duties of the military.

State Secretary in the Defense Ministry Per Borg, who moreover took up his appointment just before the Harsfjarden incident in 1982, has difficulty understanding von Hofsten's indignation.

"First, submarine protection enjoys high priority nowadays. Second, the supreme commander has obtained all the resources and powers which have been requested and, third, on no occasion has the government put a lid on any information--the defense leadership has been permitted to hand out anything it wanted to," Per Borg says.

Other than that Per Borg is unwilling to argue with Captain von Hofsten. He believes that the debate which von Hofsten wants to initiate should be kept within the naval or defense leadership.

"Above all after the prime minister's sharp statement against foreign powers in connection with the incident in Harsfjarden," Per Borg adds.

Irritation

On the Defense Staff the officers are wondering why Captain von Herten is pushing the submarine issue so strongly right now.

"In all the military branches we have learned that complicated materiel projects which yield greater defense effect take years to develop and manufacture. This applies for example to new sonar systems," says Major Bert Johansson at the Defense Staff Information Section. "With regard to the exposed situation of the submarine personnel, we have full understanding for the fact that impatience sometimes changes into irritation."

Under the Ice

On 15 November Saab-Combitech in Jonkoping and Simrad in Norway will announce a new Swedish-Norwegian cooperation precisely in the sonar field. This takes place on the same day as the Defense Materiel Agency, FMV, requests bids for a new, fixed, bottom sonar system which is to plug inlets to sensitive archipelago areas which today are not guarded around the clock, all year around.

For 75 million kronor it will be possible to detect even minisubs under ice.

Olof Palme's press secretary Kjell Lindstrom reported Monday night that at present the prime minister has no comments on the recent submarine debate.

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MILITARY

SWEDEN

COASTAL FLEET'S NEW COMMANDER CITES MATERIEL SHORTAGES

Stockholm DAGENS NYHETER in Swedish 5 Nov 85 p 6

[Article by Anders Ohman]

[Text] The situation of Sweden's coastal fleet would be bleak if war breaks out in the Baltic Sea region. The strong side of the fleet's weapons system is represented by the high quality of mines, missiles, torpedoes and vessels. The weak side involves the quantity of these items--there is a shortage of everything.

Of Sweden's 270-mile coastline the fleet has abandoned the west coast and the northern and southern parts of the Gulf of Bothnia. All the armed power of the fleet is concentrated in the Baltic Sea on the east coast, according to defense leaders.

On Monday the coastal fleet began a final exercise in the central part of the Baltic Sea.

Some 50 vessels with 2000 men on board are taking part in the coastal fleet's tactical exercise which began in the Stockholm archipelago when the vessels left for their wartime mooring locations. It is important for the coastal fleet to spread out in a combat situation. This counteracts the so-called Pearl Harbor effect--when an entire fleet was wiped out in a single attack. The risk is great, for the coastal fleet does not have many ships.

Situation Bleak

The fleet had 25 destroyers and frigates 15 years ago. Today it has none. The destroyer "Halland" is in mothballs in Harsfjarden, a monument to that era.

But the coastal fleet has not given up even if the situation is bleak. This was demonstrated by its new chief, Rear Admiral Claes Tornberg, when he outlined the military threat in the Baltic Sea on Monday--and discussed the fleet's strengths and weaknesses.

He emphasized the fact that there has been a considerable change in the threat in the Baltic Sea. Tensions have increased sharply. In a critical

situation the Soviet Union would have to quickly seize control of the Baltic Sea. NATO would try to prevent this.

The sea approaches to the Baltic through Gdansk and the Great and Small Belts will be strategically vital points.

Claes Fornberg made it clear that the Swedish Navy does not have the resources to totally protect its territory. Sweden's coastline is around 270 miles long.

"We have too few units. We have already left the west coast for we cannot defend it in the present circumstances. The same thing is largely true of the Norrland coast. When it comes to the rest of the Baltic Sea the fleet has reached a critical low point where we can no longer defend ourselves," said Claes Fornberg.

The military threat assessment assumes that the Soviet Union would move its air bases and air strike warning systems forward. There is an offensive need to strike NATO forces in order to protect their own combat forces.

Cruise Missiles

NATO in turn would retaliate in the Baltic. The battleship "Iowa," which recently conducted exercises in the Baltic, can fire cruise missiles in over the Baltic Sea from a position near the British Isles.

In order to safeguard their own naval combat forces the Warsaw Pact lands must secure the Baltic Sea for their transports.

"There is a big risk that Sweden will be the object of a surprise attack in this tense situation. We have less preparation time," said Claes Fornberg.

The fleet's early warning intelligence system must function. The patrol ship "Orion" has an important task.

The fleet's tactics and strategy are aimed at creating anxiety in an assailant about the size of the risk involved in an attack. Losses would be so great that the attacker would cancel assault plans.

The biggest striking force in a surface attack now lies in the 15 missile, a Swedish-manufactured missile with a massive strike power that became operative this year.

The fleet is also satisfied with its torpedoes which have a long range and are target-seeking. Air defense is also effective.

An important part of coastal defense is coordination between air and coastal missile units. Firing a long distance is one thing—but it is important to hit the right target.

For example the Soviet Union has 300 fishing boats whose task is to spread worthless echoes in order to mislead target-seeking missiles.

The current foreign underwater activity in Swedish territorial waters is naturally the most frustrating element for the coastal fleet.

"The violations by foreign submarines are continuing--that is a definite fact. Our ability to combat these submarines is very limited," said Claes Tornberg.

The fleet needs 4-6 sub-hunting units in order to do a satisfactory job. A sub-hunting unit includes 2-4 coastal corvettes, 3-4 heavy helicopters, 2 subs, 1 patrol boat division and 2-4 mineships. The supreme commander is expected to approve 1.5 sub-hunting units by 1990.

"We have less than a 1 percent chance of combating a foreign submarine today," said Claes Tornberg.

The new mine-detecting ships have increased the chances of finding a submarine in a limited area. A new type of hydrophone has given very good results in exercises.

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MILITARY

SWEDEN

COASTAL FLEET EXERCISES IN FALL MANEUVERS

Stockholm Dagens Nyheter in Swedish 7 Nov 85 p 18

[Article by Bengt Falkblom]

[Text] Under cover of darkness and bad weather the channels leading to vital locations in Sweden were mined Tuesday night. Crew members on the escort craft suffered from seasickness as they prepared to defend themselves from airplane attacks and foreign submarines. Food slid around the galley while the cook dozed in the bathroom, sick and miserable.

"It is always like this on our ship," explained the commanding officer on board, Lieutenant Per Bramming. "Everyone knows that resistance is low when one has been out several hours or even days in a constantly pitching ship."

The exercise was part of the coastal fleet's usual November maneuvers.

Per Bramming's vessel, the patrol boat "HMS Starkodder," had been ordered to join "HMS Styrbjorn" in escorting "HMS Carlskrona" out toward the waters around Huvudskar for a mine operation.

Mines are one of the Swedish fleet's heaviest weapons today. There are not many ships left that could combat the enemy or take off on a submarine hunt. Therefore the treacherous mines are used as far as possible.

Radar

After waiting a couple of hours the 11th patrol boat division received orders to leave their wartime mooring sites and meet the "Carlskrona" somewhere in the archipelago.

In almost complete darkness and rain too heavy for windshield wipers to help the vessel started moving at a speed of 15-20 knots through the narrow archipelago with the assistance of radar and nautical charts.

The crew had just sat down to eat a meal of grouse in parsley sauce, rice and cranberries when the vessel came inside the island barrier. They quickly swallowed the last bites and cleared the table before the order came from the bridge: "Secure all loose items."

"Take the TV first and tie it down!"

Pocket Bags

Crew members manned their stations, the ship was "clear" and walking across the deck was forbidden, the wind was blowing at almost 20 meters per second and every man carried a plastic bag in his pocket.

One of the cooks disappeared, came back after a while and later dozed off in the bathroom in his misery. The other cook slept in a corridor.

A scene of destruction awaited them when they returned to the galley, there was broken glass and china lying around, sugar and flour sprinkled everywhere, part of the refrigerator had broken off and there were leftovers all over the place.

Then an order came down on the ship's phone:

"Could the cooks fix some sandwiches and snacks for those of us who didn't have any dinner?"

Mines Laid

Inside the archipelago people on the bridge talked about the heavy seas. Even the experienced officers on board got sick and had to use their plastic bags.

"They are dead beat and exhausted," said Per Bramming, "but we protected the minelayers from airplane attacks. The mines are laid out and we have issued an announcement that there are mines in a small area of Swedish territorial waters. Just so the enemy knows he cannot approach Stockholm, Nynashamn or Oxelosund by sea any time he feels like it."

The mines have to be cleared before any ferries, troop transport vessels and cargo vessels can come in.

"In the meantime we can stay here, hidden among the rocks, and fight them with our missiles or torpedoes. We always have two live missiles on the 'Starkodder.'"

Today patrol boats along with missile boats and torpedo boats are the youngest units the Swedish fleet has for surface attacks. Just 10 years ago there were 25 destroyers and frigates.

"And this vessel was actually intended to function as a kind of patrol ship with a single cannon on board. But as other weapons systems were required this ship was remodeled. Today this 30-meter long vessel carries a heavy anti-aircraft gun and mines in addition to missiles."

No other land has so many weapons and so much equipment on ships as small as this. There are 12 conscripts and nine officers on board and the conscripts routinely address the commanding officer as "boss," or "hey, you."

"Strict discipline on board doesn't work," said the commanding officer, who is more like a foreman than a supervisor.

6578

CS0: 3650/54

MILITARY

UNCLASSIFIED

PAPER PRESENTED ON COMPLAINTS BY NAVAL FORCES ON RESOURCES

Stockholm DAGENS NYHETER in Swedish 11 Nov 85 p 2

[Editorial: "Naval Crisis and Security"]

[Text] The irritation within the navy can turn into a crisis. When security policy criticism erupts from those who are to do the work one must be sensitive to the central areas of decision making. Personal motivation is an important factor if Sweden is to be able to make itself respected in the surrounding world.

When the new chief of the coastal fleet, Rear Admiral Ulas Tornberg, says that because of lack of ships one will have to "put aside" the west coast and Norrland, this is enough to attract attention. In all this one can recognize the tactics -- the thing is to get a hearing for the demand for increased resources. This is how the Swedish military -- and all other military services -- have argued for centuries.

This does not mean that the chief of the coastal fleet is making a professional judgment that can be ignored. His argument is very strong. In his remarks on the commander-in-chief's latest general plan the naval chief says that the western and the Norrland coasts cannot be given "acceptable naval defense." This opinion probably does not rule out the possibility of making redeployments to outlying coastal areas after a certain warning time.

It is natural for the naval representatives to exploit the present submarine defense situation to demand more right now. It is interesting that Rear Admiral Tornberg quantifies our capacity. He calculates the chances of finding and engaging an intruding submarine at about one percent. It should be ten percent to have a deterrent effect, he says.

To achieve this goal, the admiral is recommending four to six anti-submarine units, which require among other things 15 to 20 coastal corvettes. Not long ago the commander-in-chief in his own recommended alternative required more than ten units, four more than presently in force or ordered.

The work we spend here without leaving other gaps in our military defense. The naval representatives make it clear as if nothing were being done. In a direct column article in SVENSKA DAGBLADET the other day the naval chief pointed to the bulletin that is taking place, saying that the "effects have not

been sufficient." The situation must certainly have begun to improve since the acquirement of coastal corvettes and other material began.

The highest naval officers claim that Sweden will gradually get a sufficient submarine deterrent force. A subordinate has recently said openly that NATO would not even consider using such submarine chasing facilities as we have to try to discover foreign submarines. Among other things, he recommended larger vessels that could carry helicopters, a resource that no longer exists at all in Swedish defense planning.

There is confusion here. What can our units, which from an international point of view are small, do? An authoritative military statement on what an improved submarine defense can achieve is lacking. The prime minister and his government only say, just as the defense leaders do, that we are continually improving in our ability to counter intruders.

One gets the impression that the personnel farther down in the organization lack this confidence. But their irritation also springs from something else, something new and serious: a distrust of the attitude at high levels, a feeling that the alarms they are sounding are being ignored.

The clearest expression of this comes from Captain Hans von Hofsten. He has plainly accused the prime minister of deliberately lying in this fall's governmental declaration that said, "We have created respect for our determination to defend our country's territorial integrity with all available means." According to von Hofsten, defense policy has been conducted too long on grounds that deny the facts. He thinks that the government is neglecting the intrusions "deliberately for mysterious reasons," or that it actually does not believe in them.

Much of the criticism is directed at their own military's slowness in reacting to events at sea. Within the staffs there is assurance that the government has neither taken part in submarine defense activities nor attempted to limit honest reporting on foreign undersea activity.

But obviously the defense staff has not been able to command respect among a circle of line naval officers in their careful analysis of the reports in which they seek compelling proofs. The most important thing is the government's responsibility to see that security policy functions well in the field -- and this requires loyalty both from above and from below.

In connection with his appearance in Uppsala last week, Olof Palme said that he was thinking of taking up submarine defense and the intrusions in "another connection." This has been said before.

9124

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MILITARY

SWEDEN

BRIEFS

MATERIEL EXPENDITURES CUT--The risk of overplanning materiel orders for the armed forces will remain for the next few years. Therefore orders should not be made at "quite the tempo" recommended by the supreme commander. Roine Carlsson made this point in the government's supplemental budget. He recommended that orders of materiel for army units should receive additional funding of 1,721.6 million kronor, in other words a reduction of 116.7 million kronor compared with the supreme commander's proposal. In the same way the request for money for navy acquisitions was lowered by 59 million kronor to 832 million kronor and the request for air force spending was cut by 110 million to 389.5 million kronor. Roine Carlsson said that the materiel the parties agreed on in the special 1984 defense compromise is not affected by the cuts. The steps to improve anti-sub defense and the JAS [fighter-bomber-reconnaissance plane] program will not be affected either. [Text] [Stockholm DAGENS NYHETER in Swedish 6 Nov 85 p 8] 6578

SOLDIERS DOUBT TRAINING ADEQUATE--Only every other draftee thinks when he is discharged that he has received adequate training to enable him to defend his country. Less than a third think our chances are good. And only 70 percent think it is meaningful to be included in a mobilization. This appears from the report "What Draftees Think," which was presented on Tuesday by the 1983 Draftee Training Committee. Defense resolve declines markedly when draftees are performing their military service, mainly among privates. Officer trainees display a somewhat higher level of motivation. The figures presented by administrator Lennart Ljung were very discouraging. Especially since they apply to our best units, as someone pointed out. Young, newly trained, with a strong sense of solidarity and familiarity with the materiel. The best officers are found in F-17 in Kallinge and the worst in I-1 in Kungsängen judging by the survey responses. Only around 35 percent of the draftees in I-1 had great confidence in their officers. [By Lennart G. Johansson] [Text] [Stockholm DAGENS NYHETER in Swedish 6 Nov 85 p 16] 6578

CSO: 3650/54

ECONOMIC

TECHNICAL

INDUSTRY SEEKING GREATER GOVERNMENT BACKING FOR EUREKA

Copenhagen BERLINGSKE TIDENDE in Danish 31 Oct 85 p 4

[Article: "Uncertainty Concerning Eureka"]

[Text] Commitment is necessary if researchers are not to flee to the United States. More concrete proposals from the government are sought. Uncertainty in the business community concerning public support and coordination with foreign firms and research institutions. The main themes of the Eureka project to be discussed at meeting of ministers in Hannover next week.

Danish businesses are skeptical about the joint European project, Eureka, which has as its objective, preventing the United States from totally dominating research and development of advanced technology.

This appeared Wednesday at a meeting in Copenhagen where the education minister, foreign minister and industry minister were confronted by representatives from the Danish business and research communities.

105 Danish Projects

At the moment, there are 105 Danish projects before the Ministry of Industry and the Research Secretariat, but uncertainty concerning public support and coordination with foreign firms and research institutions is very great within the business community. This uncertainty was not lessened at the meeting where none of the ministers would make a definite statement prior to a meeting of foreign ministers and research ministers next week in the West German city of Hannover.

At the meeting, the ministers will discuss the main themes of the Eureka project--the initiative for which came from France in May this year.

Not Secret

"Eureka has the advantage that, in contrast to the militaristic American project, it will not be kept secret.

"Therefore, possibilities for cooperation are better. Additionally, the American SDI program will be hampered by possible political changes if there is a new president.

"In contrast, the Eureka project is based on the long-term perspective," emphasized Uffe Ellemann-Jensen at the meeting.

Seek Concrete Proposals

Christian Rovsing and Amis A/S welcomed the initiative at the meeting but sought more concrete proposals from the government--both concerning economic support and a well-greased administration under the auspices of the Common Market--if the project is to be able to compete with the American program and if Denmark is not to be disregarded by the large countries within Eureka.

Imperative Necessity

On the research side, director Niels Busch of Riso Research Center drew attention to the fact that European cooperation is an imperative necessity.

"If we do not start the project, the 'good research brains' will leave Europe and commence working in the United States in connection with SDI. The tendency is there already," he emphasized at the meeting.

12578

CSO: 36313/21

ECONOMIC

1 (0 3/4)

'ELECTION YEAR' BUDGET WITHOUT RESTRAINT DEMAND

Helsinki (US) SUOMI in Finnish 17 Sep 83 p 2

[Commentary by Olavi Louhevaara: "Five Men", Control of the Money"]

[Text] The government has now presented its own economic framework for citizens to live through next year. A lot of ostensibly good material can be found in the budget proposal, but on the average it is probably fairly satisfactory.

The hustle and bustle of the government's budget is in progress, characterized by the government and the labor organizations, which for all intents and purposes is outside of it. The preparation of a budget proposal includes an enormous amount of hizziness that is an end unto itself and which is not of much value to anyone.

But when the public news media vie with one another to report on government "disputes," "crises" and "evening walking sessions," even the average citizen knows that something is going on.

Anyone who says he would say to himself that this budget proposal is one of the best budget on the part of the government.

This is the last budget proposal of the current term, which, once it is completed as a budget in Parliament, it will be apparent with full effect in the daily lives of voters getting ready for the elections.

This is just why the government can be congratulated. It has created a national budget with which it specifically does not add to citizens' burdens.

And since Finns have become insensitive to taxes as well as other already existing annoyances, many citizens view even a budget such as this one in which there are no obvious new additional burdens as a gift from heaven. No one even dares to hope for a substantial reduction in tax burdens.

The budget proposal serves as proof of the fact that the present government is in firm control. It has endured former budget crises and will endure the next one if it wants to.

... this budget proposal is also important for the government parties
... familiarizes citizens with the existing political configuration. But
... opposition's standpoint the situation is worrisome.

... if the opposition carefully considers how it will react
... budget proposal. An exaggerated criticism can be a boomerang, they
... be bold enough to praise it and they cannot remain silent either. The
... budget proposal has now moved into the hands of Parliament. There
... be handled like a court continuance unless the SMP [Fin-
... , for example, at that time comes up with a surprise by kicking
... .

... turn out that the incipient battle for the chairmanship within the
... [Democratic Party] alone will interfere with control of the budget's
... the hands of a clique of several ministers?

ECONOMIC

FINLAND

BUDGET PROPOSAL VIEWED IN BUSINESS CYCLE CONTEXT

Helsinki UUSI SUOMI in Finnish 19 Sep 85 p 2

[Editorial: "Problems Just Ahead"]

[Text] The announcement of the government's budget proposal did not in itself bring anything new into the picture that we got of the situation when the budget debate ended. It is, however, interesting to compare the government's proud speeches about its own achievements -- in part warranted -- with the reservations and warnings expressed in its budget arguments and surveys.

So, in the review of development prospects for the end of this decade, they assert that "we must be able to change the expenditures structure" because "national expenditures have clearly increased beyond the established objective." We need "a clearly stricter expenditures policy than heretofore" -- a slow-down to under half the rate of the past decade. There must be firmness "particularly as concerns local economies."

The use of such language is, of course, one of the basic duties of the Finance Ministry. Behind it there are, however, so many facts that during the second half of this decade the government will be facing a hard time controlling expansion of the public sector economy. The present government is not, however, thinking very much beyond the spring 1987 elections. The budgets have clearly been structured to strengthen the basis for the government parties' efforts in the election campaign.

So we should not misinterpret the realistic lowering of tax brackets. The government itself admits that it is due to the nature of the economic situation. During the upswing taxes were raised considerably; now they are giving a little back. The tax reductions for 1987 that have been briefly considered were also in keeping with textbooks on economic policy but, of course, a tax reduction just before the elections also brightens the government's image in the eyes of the voters.

Even before the elections, however, the government is facing two big problems: the worsening of the economic situation and next spring's wage negotiations.

The attraction of our exports is declining and a revival of investments is not expected for a long time to come. They will try to maintain moderate growth by

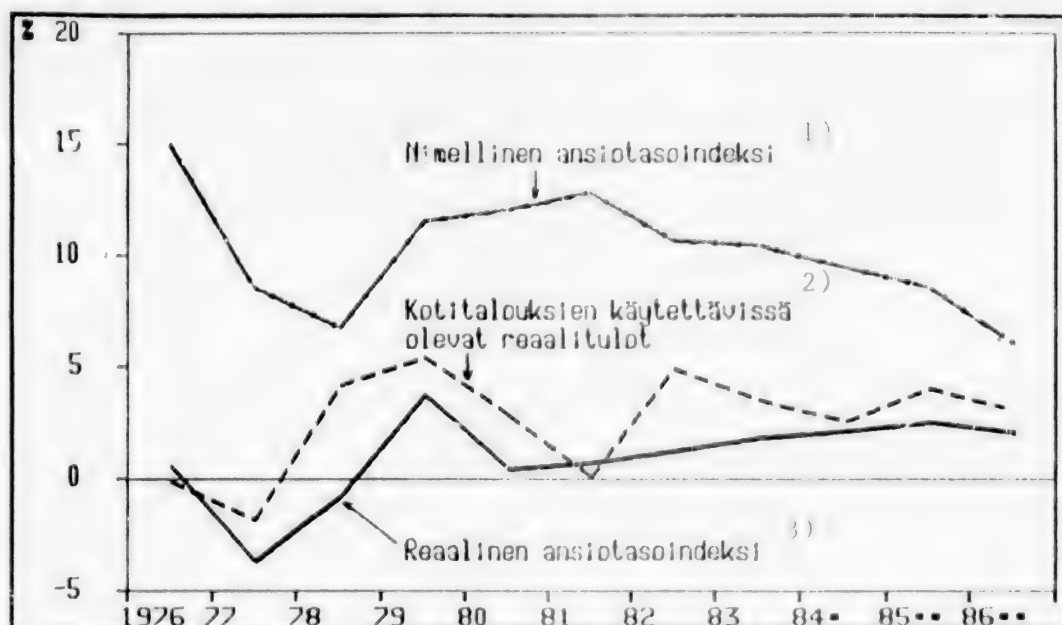
supporting consumption with tax reductions. Unfortunately, the national economy has the means to do this for some time.

In the budget proposal they, however, quite rightly emphasize the fact that lasting growth must be built on the basis of our exports' ability to compete. Over and over again they stress the importance of our so-called real ability to compete -- in terms of product quality, marketing, etc. Especially in a declining economic situation, price is an increasingly important, often decisive competitive factor. Our ability to compete in terms of price has been declining for several years now, although we have had moderate success in curbing inflation.

The government is trying to influence wage negotiations primarily with the carrot on a stick of tax relief, for example. It is also hinting that it plans to shelve recovery measures -- road construction, for example -- but that they may be undertaken only if the wage settlement is not inflationary. It is also hinting at a lowering of the basic interest rate in the near future.

It would indeed be unfortunate if an excessive increase in nominal wages should have to be cut during a slump. Prime Minister Kalevi Sorsa has made a strong appeal to the labor unions to keep envy within bounds. Will his power to influence them be strong enough until the end? Modest wage settlements have been advantageous for wage-earners -- it is only that reason and calculations have not always carried enough weight in the wage setting.

The graduation of tax brackets has been postponed for the future in addition to restraining the public sector economy. This cannot be postponed from year to year either without weakening the future development prospects of our economy.



Key:

1. Nominal wage level index.
2. Real income available for household use.
3. Real wage level index.

Budget proposal graphs show that we obtain the best rise in real income through modest wage settlements. Curbing inflation is also indispensable for success with exports and, therefore, for the economy.

11.66

CSO: 3617/1

ECONOMICS

FINLAND

GOVERNMENT BUDGET PROPOSAL'S INFLATION FIGHTING ASPECT

Helsinki HELSINGIN SANOMAT in Finnish 24 Sep 85 p 25

[Article by Antti Blafield: "What Would Happen If We Were to Have the Devourer of the Value of the Markka Killed? Life Would Be Joyless Without Inflation"]

[Text] Last week a hamburger chain celebrated its 10th year of existence by offering its hamburgers for a week at the prices they cost 10 years ago.

Savoring a 3.50-markka fishburger, a customer could for a moment plunge into an inflationless paradise: The invisible uninvited guest was not gorging himself at his dining table.

The government has announced that it will bring the rate of inflation down to 4 percent next year and economists are quite seriously announcing that they believe it. Maybe we are already on the way to a zero-inflation paradise.

Paper Currency Would Become the Thing to Invest In

Then even paper currency would be of value. Now, every rise of 1 percent in the inflation rate chomps a percent-sized corner off of bank notes. Even if the government could slow the inflation rate down to 4 percent, which some other economists feel is impossible, in a year's time the markka would be worth no more than 96 pennies.

But we would not necessarily get everything we did with a markka a year ago. There is no inflationless society in which prices would not rise at all. Inflation is after all the measure of a change in the prices of all products used by households. In it there is room for both rises and falls in prices. If, however, the inflation rate were zero, it would mean that rises and falls in prices would cancel one another out and the effect on the buyer's pocketbook would be just as great.

In an inflationless society prices would rise along with, for example, improvements in quality or increases in demand. Of course, a rise in demand would increase the temptation for merchants to round the price off in an upward direction to the nearest 10-markka figure. This would, however, be surrendering; the viper of inflation would squirm its way into paradise quite unnoticed behind merchants' price tags.

the bank would have to be approved by the Federal Reserve Board. The bank would have to be approved by the Federal Reserve Board.

Bank would have to be approved by the Federal Reserve Board.

If the Federal Reserve Board were to rise from a minor figure to a major one, it would have to consider establishing their existence on a new basis. The Federal Reserve Board would be an investment that would preserve its value. The Federal Reserve Board would have to be designed so that it would be profitable to have it rather than keeping it in a sock, but not, however, so that it would have a high interest rate on loans could be charged.

Bank would have to be approved by the Federal Reserve Board. In an inflationless society the interest rate on loans would be higher than the growth rate of the national product. That is, if the Federal Reserve Board were to rise from a minor figure to a major one, it would have to be designed so that it would be profitable to have it rather than keeping it in a sock, but not, however, so that it would have a high interest rate on loans could be charged.

Bank would have to be approved by the Federal Reserve Board. Bank directors would come up with the same question. The bank competition amounted to one another among bankers could easily and it would be a matter of time before it would be right and fair to take the Federal Reserve Board out of the picture. This is why some shrewd economists think it possible that the interest rate on loans would be closer to 7 than to 3 percent.

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Since neither taxes nor the ...

Since neither taxes nor the ...

Every additional ...

That is, my ...

To be sure, there are ...

In an inflationary ...

Life ...

Life would also ...

Namely, in an inflationary ...

If there were no ...

We would be forced to, even if ...

In an industrial society the most important one would be founding the upper
of influence. Active suppression is, however, a more exciting business than
indulgent waiting, so it would not afford our financial police an ideal con-
text either for another round with the central bank.

It Has Already Happened

• • • • •

1990: 1991

GREECE

ECONOMIC

U.S. REPORTEDLY UPSET OVER ALUMINA AGREEMENT WITH USSR

Athens KYRIAKATIKI ELEVTHEROTYPIA in Greek 13 Oct 85 p 2

[Article by G. Karamanolis]

[Text] The alumina industry, which will be created in our country with Soviet collaboration, is encountering the most serious reactions from factors outside of Greece.

These factors are donning the mantle of protecting private industry, to which principle the state alumina industry is, by its nature, opposed.

In reality, however, it appears they are bothered by the unimaginable Greek nature of the investment and the fact it is the first investment in heavy industry in Greece not being made by a western multinational company. And, therefore, the technology used, selling networks and pricing policy are not controlled.

The Americans Are Thinking of Us

The reactions are coming mainly from the U.S. side, and are expressed:

1. With the use of pressures by official U.S. government organs on international investment banks to finance countries which are reinforcing privatization, not state initiatives (recent publication in the AMERICAN BANKER).

2. With actions of factors in the U.S. Embassy in Athens--up to now, there have been four interventions by members of the Commercial Delegation and Office of Economic Analysis--who are trying to sow doubts about the investment's profitability and advisability among government and banking factors.

They maintain, chiefly, that the expense is high for the economy to endure, that it is catastrophic for there to be large investments in a period of fragility.

It is characteristic that these reactions, as well as others domestically (that the environment is being destroyed, etc.), have been expressed since the day the related Greek-Soviet agreement was signed. And, as a qualified government agent stated to KYRIAKATIKI ELEVTHEROTYPIA, it is expected such reactions will swell as the date for laying the foundation stone approaches (around mid-December).

the Greek-Soviet Agreement Batters Them

and neither, they mainly, added the same source, is the following:

1. It is the first high-level Greek-Soviet agreement in the development of the world.
2. It is the first investment in heavy industry not being made by Western multinational capital.
3. It is the first clearly state investment in heavy industry—that is, without the participation of private capital.
4. The agreement shows there are other ways out of the avoidance to invest in Greece declared by one side (the West)—ways out which are not necessarily at all disadvantageous to the other side.

This development justifies the interest shown in the investment plans existing in Greece by the U.S. assistant secretary of commerce, Goldfield, during his recent trip to Athens. He asked for a related list in order to make suggestions to U.S. development companies for undertaking investment initiatives in Greece.

The purpose is to reverse the United States' avoidance to invest in Greece. In the past, it has acted as a boomerang for U.S. interests in this sector.

END

REF: 012/11

ECONOMIC

GREECE

PECHINEY ALUMINUM COMPANY ADUMBRATES POSSIBLE CLOSING

Pechiney Announcement

Athens AKROPOLIS in Greek 10 Oct 85 pp 1, 9

[Excerpts] The directors of Pechiney (Aluminum of Greece) believe that the closing of this company is unavoidable. This company--one of the largest in the country--is shaken financially, and its inevitable end is looming clearly on the horizon.

The termination of operations at Pechiney will not only have disastrous consequences for the national economy. It will also contribute significantly to the swelling of unemployment, since the 2,300 people working at the company will be added to the armies of the unemployed--victims themselves of the socialist visions of PASOK.

Low Production

The chief causes of the bad economic course taken by Pechiney are: Low productivity, and high prices for electric power and bauxite, which are adding to the cost of Greek aluminum.

The gloomy prospects for the future of the company were revealed at a press conference that its representatives gave yesterday.

In connection with productivity at Pechiney, at the conference reference was made to data from which it follows that this productivity has declined by 30 percent in comparison with the productivity of similar establishments in other countries. For the first time--the directors of the company said--a loss of \$2.4 million was noted, with the trend being toward a further widening.

Future Stoppage

If the problems of low productivity and high prices for electric power and bauxite are not overcome, Pechiney will be obligated to discontinue its operations for good, a representative of the company let it be understood.

The view of the company is that the problems of prices can be solved by means of governmental decisions.

At yesterday's conference--which was given on the occasion of the general meeting of the shareholders of Pechiney--the president of the company's Administrative Council, (Dekoster), stated that the "golden age" of aluminum has passed.

As is known, the State as well has a share in Pechiney, by way of the ETVA [Hellenic Industrial Development Bank], with a percentage of 40 percent. The company carries out exports that range around \$100 million per year in value. This sum constitutes a significant percentage of the value of the country's total exports. The exports of Pechiney contribute also to a savings in foreign exchange from reduced imports of aluminum.

Pechiney's 'Ultterior Motive'

Athens ETHNOS in Greek 10 Oct 85 p 2

[Article by Khar. Anagnostopoulos]

[Text] Counters to Pechiney--in its objective of preserving its privileges--surfaced yesterday in connection with the building of a new alumina plant with the Soviets and the likelihood of the DEI [Public Power Corporation] increasing the price it must pay for electric power.

The intentions of "Aluminum of Greece" in its "present difficult conditions" were talked about at a conference yesterday with journalists by its 55-year-old general director, Mr (Dekoster), who:

- Judged that the creation of the new alumina plant in Greece "will be unfavorable to the aluminum market in the free world."
- Warned (and came close to threatening) that the company which he directs "is being compelled" to decrease its personnel (2,300 workers today). And to decrease its production later.
- Praised the example of Japan, where the aluminum industry has closed its doors.

In the first 4 months of this year, "Aluminum of Greece" had a loss amounting to \$1 million, and this will continue also during the coming year, said Dekoster. And he attributed this:

- To the high price for electricity and bauxite and to the high pay of the workers.

And he indirectly called on the appropriate minister to deal with these issues with the suitable sensitivity, in order to avoid disagreeable consequences to the company.

And here Dekoster let it be clearly understood that his company desires a substantial reduction in the price of electric power from the DEI.

DEI Protest

Athens AKROPOLIS in Greek 11 Oct 85 pp 1, 7

[Excerpt] The government was alarmed at the announcement by those in charge of Pechiney (Aluminum of Greece) with respect to the gloomy future of the company and those working in it, on account of the financial problems that it is facing,

And in order to dispel the anxieties that have been created, the government replied yesterday, via the DEI, to the things that were set forth by the company and published by the AKROPOLIS in its edition of yesterday.

Denials Made

Using its own data, the DEI denies that Pechiney has these financial difficulties.

And it attributes the company's announcement to an attempt to strengthen its position in the dispute between itself and the DEI with respect to the market price for electric power.

The DEI also maintains that Pechiney is one of the 38 cheapest plants in the world, out of a total of 117. And that it holds an eminent position throughout Europe from the viewpoint of competitiveness.

12114

CSO: 3521/18

ECONOMIC

GREECE

CHURCH HOLDINGS TO GO TO FARMERS

Athens I KATHIMERINI in Greek 15 Oct 85 p 2

[Text] On the basis of the agreement between Georgios Rallis and the Holy Synod in 1977 and 1980, the government has decided to give church property to farmers. A related bill was tabled yesterday for this purpose. It provides the following:

1. The properties in the possession of the monasteries, as well as the acreage, come by right to the public. These properties and acres amount to hundreds of thousands of stremmas and can be used as a resource for farming, stock-farming and forestry.
2. The management and administration of all the remaining monasterial property is transferred to a single agency, namely, the ODEP [Organization for the Administration of Church Property], and to the corresponding organizations of the church of Crete, which from here on out are to be managed with the church and state jointly responsible. The DS [Administrative Council] is to be composed of three state representatives and three church representatives.
3. A process is provided through which legal titles of ownership are given to all those of good faith who have purchased lots or small properties from the monasteries or third parties who made use of such acreage.
4. There is a possibility of substantially supporting the monasteries as memorials and as areas for religious worship and of a national cultural and historical heritage.

According to well-informed sources, the agreement made between Rallis (then minister of education and religion) and the Holy Synod aims at the state taking from the monasterial property four-fifths of the forest and farming acreage only. The church will keep the rest which will be free from any "burdens," however, and also can be developed in any way whatsoever.

Church people believe that, before the bill is introduced to the Chamber, there will be arrangements and agreements between the church and government on the way the one-fifth and four-fifths will be divided. There does not appear to be any oppositions from the church if the agreement is kept as it had been made at that time.

9247

CSO: 3521/17

ECONOMIC

GREECE

ANALYSIS OF EEC GRANTS AIMED AT TRAINING

Athens I KATHIMERINI in Greek 22 Oct 85 p 7

[Text] Greece will collect 135.44 million European Monetary Units [ENM] (one ENM is equivalent to approximately 129.7 drachmas) in 1985 from the EEC Social Fund. As is reported in a related EEC announcement, this amount represents 6.47 percent of the total assistance from the fund, which will amount to 2.09 billion ENM in 1985.

The corresponding amount granted to Greece in 1984, it is stressed, was 93.52 million ENM and represented 5.03 percent of the total grants of this fund.

In addition, as it is pointed out, an increase was noted between the amounts requested and the totals finally granted for our country. Thus, while in 1984 208.49 million ENM had been requested and 93.52 million had been granted, in 1985 135.44 million of the 205.08 million requested has been granted.

More specifically, since 1981 until today, our country has received from the European Social Fund the following amounts: 1981, 30.57 million ENM (3.1 percent); 1982, 60.46 million ENM (4.0 percent); 1983, 114.02 million (6.08 percent); 1984, 93.52 million (5.03 percent); and 1985, 135.44 million (6.4 percent).

As is stressed, these funds are allocated proportionately for all the member countries, with the entire Rules and Orientations which govern the granting of Social Fund interventions. Thus, according to these criteria, 75 percent of the available funds are designated for programs relating to youths under 25, five percent of the total amount will be appropriated for innovation programs, and the remaining 20 percent applies to activities on behalf of adults over 25. The general target of the Social Fund, it is underlined, is to contribute to designing civil studies so that the labor force can acquire the necessary qualifications to secure a steady job and employment possibilities can be created.

Also, the European Social Fund participates in the cost of financing works and activities of the Labor Force Employment Organization (OAED). As is known, the OAED, along with other government agencies, designed and implemented the "National System for Unemployment Protection" (ESPA) which provides, among other things, for "covering" unemployment with a subsidy for young adults aged 20 to 29. Government planning in the sector of employment provides for the creation of 200,000 new jobs in the next two years. For 1985, the European Social Fund will give Greece 5 billion drachmas, versus 2.6 billion in 1984 and 300 million in 1981.

9247

CSO: 3521/17

ECONOMIC

GREECE

JANUARY-AUGUST TRADE DEFICIT SHOWS LARGE INCREASE

Athens I KATHIMERINI in Greek 25 Oct 85 p 7

/Text/ The bleak situation of the balance of payments remained unchanged in August, the height of the tourist season, despite the significant contributions of the merchant marine and tourist foreign exchange receipts that month. The gradual decrease in the competitiveness of the economy was underscored by the large increase in imports, which led to the widening of the trade deficit. During the eight-month period of January-August, for which data were released yesterday by the Bank of Greece, the trade balance deficit increased by 18.1 percent as compared to last year; the deficit of the current account balance of payments reached \$2,123 million versus \$1,368 million for the same period last year, which is an increase of approximately 55.2 percent. It is noted that, as the Ministry of National Economy has already announced, the deficit for the whole year will reach \$3 billion instead of the initial estimate of \$2 billion!

Specifically, according to the figures released by the Bank of Greece, the balance of payments for the period January-August for the last three years, in millions of dollars, is as follows:

<u>Item</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Imports	5,844	6,536	6,976
Exports	2,486	3,003	2,805
Trade Balance	-3,358	-3,533	-4,171
Invisible Resources	3,552	3,462	3,420
Invisible Payments	1,308	1,297	1,372
Balance of Invisibles	2,244	2,165	2,048
Current Accounts Balance of Payments	-1,114	-1,368	-2,123
Capital Movement	1,436	1,841	2,261

From these figures it can be concluded that:

1. Imports of all goods, except fuel, accelerated. Indeed, imports of goods, other than fuel, reached \$4,897 versus \$4,539 and \$4,562 million for the first eight months of 1985, 1984 and 1983 respectively. Thus, this year imports increased by 7.9 percent whereas last year they had

decreased, which means that imports, taking advantage of the decreasing competitiveness of our products, have penetrated our market more. The accommodations of stocks which were created in view of the long-rumored devaluation of the drachma is, of course, not to be excluded.

2. Exports decreased this year by 6.6 percent, whereas last year they increased by 20.8 percent. This unfavorable development means that our products, due to their decreased competitiveness, have obviously increasing difficulty in being placed in foreign markets.

3. The invisible resources declined impressively in every category, except for the tourist receipts, which showed signs of improvement. The foreign exchange from merchant marine receipts declined by 7.7 percent, the emigrant's receipts by 16.6 percent, etc. On the contrary, receipts from the EEC reached \$530 million, versus \$463 million last year.

4. The influx of private capital for enterprises showed some improvement, but capital for the purchase of real estate declined significantly. The same held true with the deposits in foreign exchange, of both domestic and foreign residents.

5. The increased deficit resulted in the increase of foreign borrowing, which for the eight months alone reached \$2,232 million versus \$1,391 last year. The increased borrowing prevented the real decline of foreign reserves, which remained at \$1,324 million at the end of August, versus \$1,324 million the same day last year.

12873/12276

CSO: 3521/22

ECONOMIC

GREECE

NO RESULTS PREDICTED FOR GOVERNMENT'S ECONOMIC MEASURES

Athens I KATHIMERINI in Greek 27-28 Oct 85 p 9

/Editorial: "So That Measures Might be Implemented..." /

/Text/ Should the measures be repealed and the government be kept or should the measures be kept and the government resign? With these two questions the opposition to the "anti-demand" measures decided on by the Papandreou government acquires its most candid meaning. All that is talked about or written is nothing but understandable attempts "to run with the hare and hunt with the hounds."

There is no doubt that the economic situation has reached a very serious point. Corrective measures are indispensable. However, what will corrective measures accomplish? Because will they really be corrective? When the government calls for "agreement" of rightists and leftists, rich and poor and those taxed and untaxed as far as the measures are concerned and willingness to have them implemented, something more than Mr Simitis' assurance that they are the best of what had been thought of is certainly needed to have them accepted.

Nevertheless, the government does not explain the effect of the measures on the bad condition of the economy so as to render it good. It thus turns out that a segment of PASOK officials --especially trade union ones--that certainly have every reason not to want the economic collapse to lead to their political collapse, are repudiating the correctness of the measures. This means that they are opposed to the battle being waged by the government "to stabilize" the economy since in the government's opinion, only through such measures will the battle be won.

At the same time, both those PASOK officials that are "unrelenting" to "socialist decorum" as well as those who are sheltered under communist party titles, have pinned New Democracy to the wall with the following dilemma: "If these measures are not effective what others would you have proposed?" And, of course, New Democracy answers: "The problem is not the measures as such but that they should succeed." This means that the major government opposition party does not object to the Papandreou government being permitted to seek recourse to any measures it considers effective so long as it is convincing that they will be effective. Since it does not do so --and it cannot because of the disruptive economic policy that it is pursuing-- then it must either change policy or leave.

Therefore, which resentment stemming from the two sides --the unrelenting "socialists" or the liberal wing-- is the more critical? Assuredly that of the Left. It is more critical not only because it incites strikes for the purpose of obliging the government to repeal any measures that affect income and labor institutions. But because it takes away the last allocation of work that remains for the leftist workers and employees following the fostering by the "socialist" authority of Mr Papandreou of intense class hatreds and also visions of these people becoming civil servants.

The denial of work, especially in enterprises producing goods or rendering services that belong to the state and that have been nationalized or "socialized," has turned into --and it is time that all those who live in this country realize this-- the major, the "murderous" problem of the Greek economy. The famous productivity, from the time our "socialist transformation" began, is tending to be reduced to nothing. The cost of national productive activity has become so high, because of the nearly generalized "indifference," that any endeavor to increase it through monetary or income measures is rendered useless. Together with the denial by the Left of the government's policy being anti-labor, the denial of work, "indifference," loses its last "ideological" restraints: the obligation to offer assistance to our "own" government.

When a repair of one of our military aircraft should cost 50,000 /drachmas but actually costs 800,000. When bus drivers "turn a blind eye" on passengers who do not pay. When an earth drilling project by a state organization team calls for 10 times as much time and consequently more expenditures than what a private company team demands. When the management of a big bank turns to the "bribe" method to persuade employees to work. When industrial plants that used to supply the domestic market with good quality goods and that now, having become problem companies, are under state-party control, do not produce anything whatsoever but do nothing but pay wages. When this is the "contribution" of work in today's Greek economy, how will our exports increase? How will the state deficits be reduced? How will there exist, not a welfare state, but mere welfare for the citizens of the state? In other words, what result can the recent economic measures yield?

A demand for a mere repeal of the measures obviously will not help the economy. Just as their implementation will not help. What will progressively have an influence on a labor upswing above all will be the creation of an atmosphere of income hopes tied in with a genuine endeavor for productivity. Such an atmosphere is not scheduled to come about with today's government. Today's government is crushed between "theory" and "practice."

5671

CSO: 3521/24

ECONOMIC

GREECE

FAILURE PREDICTED FOR RECENT ECONOMIC MEASURES

Athens MESIMVRINI in Greek 14 Oct 85 p 13

[Article by K. Kolmer: "The Beginning of the End"]

[Text] Inadequate, one-sided, inconsistent, mutually contradictory, inopportune, and not timely is how the economic measures taken day before yesterday by the socialist government, with a basic axis of a 15-percent devaluation of the drachma, are being characterized.

It is judged that the economic measures are one-sided, that they aim precisely and only at controlling the balance of payments deficit, which is now running at an annual rate of three billion dollars, and that they do not contain effective manipulations for controlling inflation, which is the Greek economy's deepest problem.

On the contrary, because of the way in which the measures are being taken--with a basic criterion of controlling the balance of payments deficit, not curbing inflation by drastically reducing deficits in the public finances--they will lead to an elevation of inflation and, secondarily, new, successive devaluations.

As the national currency's parity falls, either de jure as happened day before yesterday with the 15-percent devaluation, or de facto, by slipping, which apparently the Bank of Greece will follow in the future, the economy's cost domestically will rise. And as inflation is kept high, the drachma's purchasing disparity versus foreign currencies will lead to new, repeated devaluations.

The maintained mechanism of the ATA [Automatic Cost of Living Readjustment], even if adulterated, will continue to raise nominal incomes and domestic demand. Continuing exorbitant expenditures will increase the deficits and these, in their turn, the money supply. Thus, the inflationary pressures will be authenticated monetarily and the entire economy will be made inflationary.

However, the measures are not only in this sense inadequate and one-sided: they are also contradictory to the pursued target of stabilizing the economy. Because, with the additional surcharges imposed on imports, the supply of goods to the market is hampered and prices are also pressured from the other side, that is, from the lack of supply.

So inflation will gallop, and will exceed 25 percent in the next 12 months, consuming not only incomes but also private wealth. This deterioration will be the

result of the planned increase in taxes for the private sector (a lump-sum contribution from the profits of enterprises and incomes of professionals).

At the same time, the criminalization of tax-evasion and the specter of taxation presumptions will cause a new fleeing of capital--as it will be practiced--killing every private initiative in the area of private investments in housing, etc.

In addition, the untimeliness of the measures, since four months or more has been wasted since the decision to take them, characterizes not only their inopportu-ness--the measures have already been exceeded--but also the fact that they do not correspond to the real requirements for stabilizing the economy. Because, while the new measures--which are essentially old--inadequately hit demand, they do not make provision for strengthening local production.

The measures inevitably will have a continuation. New taxes will be imposed, fuel prices will be increased significantly, electricity, telephone fees, fares, etc. will be raised and food prices will worsen appreciably. Aside from the intolerable conditions which will be created at the expense of the economy's productive mechanism, this situation will unavoidably cause popular discontent, strikes, etc. This will result in a new fall in productivity, particularly when everyone finds out that the measures are ineffective and there are no hopes for a recovery since they will not cure the slowness of domestic production from which the Greek economy has suffered for the last five years.

Nor will the balance of payments be improved, as is essential. Because, despite the increase in the cost of imported products, the volume will be slow to decline. Comparatively, exports will not be strengthened immediately, but will require a lot of time to increase in volume, as long as productivity is improved, of course. Consequently, the trade deficit will continue, and the surplus of invisible resources will be unable to compensate for it. Nor, of course, will the autonomous influx of capital. The only thing which could save the situation at this moment is extra borrowing from the EEC but this is not easy.

The prospects for the economy therefore continue to be inauspicious and nothing is excluded now: neither the scenario of 200 drachmas per dollar, nor the suspension of international payments to Greece. One thing only is certain: that the countdown has begun for the government and socialism. The issue now is what is being sketched for post-socialism.

9247

CSO: 3521/17

ECONOMIC

GREECE

ADDITIONAL ECONOMIC MEASURES AIMED AT INDIVIDUALS

Athens TA NEA in Greece 15 Oct 85 pp 1,7

[Article by Giannis Fatsis]

[Excerpt] The government is considering taking other restrictive measures. The package of measures will be completed with the introduction of the budget, which is expected to occur at the end of November.

Prime Minister Papandreou spoke yesterday to the Council of Ministers about the form and direction of these measures, in his special report on the problem of the economy as it has developed in our days, and on the reasons causing it.

From the points Papandreou made, it emerges that:

1. There will be regulations for removing the inequality in the public sector between the privileged (who have high pensions, notably a lump-sum, allowances for vacations, excellent health care and a high income) and those with low salaries.
2. The pay-rates of presidents, governors and general directors in the public sector will be specially scrutinized.
3. Hiring in the public sector will be virtually eliminated.
4. There will be a redistribution of the permanent personnel in the public area. "Some will have to go to the districts," he said.
5. The issue of multiple positions will be examined.
6. The issue of overtime will be settled.
7. There will be a systematic reduction of flexible expenditures, and a mechanism will be established to strictly control and restrain the public sector's expenditures to limits provided by the specific budget.

The outcome of the government's targets is: decreasing the total deficit by four units in 1986 in comparison to 1985.

The prime minister also gave a strict warning to those belonging to the higher echelons of the state machine: "No one can escape the income policy we have

designated," he said and he observed; "Where there is a violation, an issue will be made of personal responsibility in the entire administrative ladder.'

Referring to the fate of the measures for the economy and operation of the public sector, he said that if they have an "unfavorable development" this will have "repercussions" on the future of the Movement and the government.

9247

CSO: 3521/17

ECONOMIC

GREECE

PRODUCTIVITY INDEX RISES INSIGNIFICANTLY

Athens I KATHIMERINI in Greek 15 Oct 85 p 17

[Text] The index of industrial production shows a rise of only 0.2 percent in the 7-month period of January-July 1985 in comparison to the corresponding 7 months of 1984.

This is stated in an announcement yesterday by the Statistical Service. The announcement is as follows:

The course of the index of mining, industrial, and electricity and natural gas production during the month of July 1985 in comparison to the corresponding month of July 1984 is the following:

I. The general index of mining, industrial, and electricity and natural gas production shows an increase of 10.8 percent.

II. The index of mining production shows an increase of 8.5 percent.

The course of this index was influenced by the corresponding (rising) change in the indices for lignite, iron-nickel ores, quarrying and construction materials, bauxite and chromium-manganese ores, and so forth, despite the opposite (falling) change in the indices for magnesite and mixed sulfide ores and barite.

III. The index of industrial production shows an increase of 9.8 percent.

The course of this index was affected for the most part by the corresponding (rising) change in the indices for textiles, electrical machinery, appliances, and so forth, foodstuffs, basic metallurgical products, chemical products, petroleum and coal products, shoes and clothing, products made from rubber and plastics, paper, wood and cork, nonmetallic minerals, tobacco, metallurgical products and products for printing and publishing, despite the opposite (falling) change in the indices for beverages, vehicles, miscellaneous industries, and nonelectrical machinery and appliances.

IV. The index of electricity and natural gas production shows an increase of 18.3 percent.

More specifically, the index of electricity production (unweighted quantitative index) shows also an increase of 18.2 percent.

Moreover, the change in the course of the average of the above indices during the 7 months of January-July of 1985 in comparison to the corresponding 7 months of 1984 is the following:

1. The general index of mining, industrial, and electricity and natural gas production shows an increase of 1.5 percent.
2. The index of mining production shows an increase of 1.8 percent.
3. The index of industrial production shows an increase of 0.2 percent.
4. The index of electricity-natural gas production shows an increase of 10.2 percent.

12114

CSO: 3521/18

ECONOMIC

PORTUGAL

CHANGE IN ANTICIPATED BORROWING NEEDS NOTED

Lisbon EXPRESSO in Portuguese 19 Oct 85 pp 1, 24

[Text] The administration secured a surplus of about \$610 million in foreign loans as compared to the amount necessary to pay amounts due abroad during the first half of this year. According to data to which EXPRESSO had access, the almost \$900 million deficit in foreign accounts, which had been estimated for the first 6 months of 1985, turned out to be only \$250 million, which means that Portugal will have to pay additional amounts without any benefit to the country.

According to a source at the Bank of Portugal, one of the main reasons behind this situation had to do with the intention of the Bank of Portugal to increase Portuguese foreign exchange reserves, thus exploiting the more favorable conditions which prevail at this time on the international market (the dollar is going down). Even before the end of the year, it will be necessary to renegotiate various older foreign loans so that they could be paid back under more advantageous conditions for Portugal, with some payments even being made ahead of time.

But there are other reasons for the results obtained in foreign accounts during the first 6 months of this year and these are more or less public knowledge by now. On the other hand, the economy's growth rate was less than the administration's initial estimates; there was no increase in the procurement of goods and services abroad during that period of time.

On the other hand, the three elections which are soon to take place, with the resultant vague situation in the administration and in parliament which will follow these elections, persuaded the Bank of Portugal to decide in favor of a "comfortable" situation in terms of available foreign exchange until the end of 1985 and the beginning of next year.

It is usually in the first half of the year that foreign financing needs emerge for the country's economy since remittances from emigrants and earnings from tourism during the summer months normally cover a large part of the financing required by the downturn of economic activities at that point in time.

Less accentuated borrowing during 1985, accompanied by the anticipated rise in exports could make it possible for the balance of current accounts hoped

for at the end of this year to reduce the negative burden of interest payments on the Portuguese foreign debt.

During July, that debt exceeded \$16 billion and at this time the interest is close to 25 percent of the earnings derived from exports.

5058

CSO: 3542/17

ECONOMIC

PORTUGAL

BRIEFS

WEAPONS TRADE WITH IRAN--Trade with Iran for the first 7 months of 1985 showed a 3.3-million-conto balance in Portugal's favor, due mainly to a significant decrease in imports. From January to July, Portugal imported goods from Iran amounting to 4.9 million contos, as compared to 18 million contos during the same period in 1984. During the first quarter of 1985, Portugal bought nothing from Iran, according to the same sources. In contrast, Portuguese exports to Iran, consisting mainly of arms, ordinance, and munitions, amounted to 8.3 million contos during the first 7 months of 1985, which was higher by 361 percent than the exports for the same period in 1984 (1.8 million contos). /Text/ /Lisbon DIARIO DE NOTICIAS in Portuguese 5 Oct 85 p 5/ 13116/12228

LAJES AGREEMENT CRITICIZED--The confederation of unions of Angra do Heroismo criticized the official publication of the new labor agreement for the Lajes Base and expressed regrets that the Azorean Parliament didn't try to have the document declared unconstitutional. In a communique distributed on Terceira Island, the aforementioned union, which includes the unions for transportation and tourism, fishing, food and beverages, said that the Regional Assembly should have tried to have the agreement declared unconstitutional "because it declared itself against the document as it was written." The Azorean Parliament sent the confederation of unions a message from its president, Reis Leite, in which he stated he would not solicit the unconstitutionality of the agreement, as it does not violate the rights of the region. The new Lajes labor agreement, recently published in the DIARIO DA REPUBLICA, was signed by the Portuguese Defense Ministry and the American Defense Department, then ratified by the National Assembly. In a general meeting that took place before the document was ratified by the Portuguese Parliament, the Azorean Parliament showed its disapproval of the rectification of the document as it was. The Regional Parliament based its position on the finding that the new agreement did not take into consideration the rights of the 1,500 Portuguese working for the United States Air Force stationed on Lajes. /Excerpt/ /Lisbon DIARIO DE NOTICIAS in Portuguese 6 Oct 85 p 4/ 13116/12228

CSO: 3542/9

ENERGY

FINLAND

MINISTRY SEEKS EARLY DECISION ON ENERGY PLAN FOR 1990'S

Helsinki HELSINGIN SANOMAT in Finnish 9 Oct 85 p 29

[Text] The Ministry of Trade and Industry is pressing for decisions on energy for the next decade. In the ministry's opinion, we should go ahead and make the decisions at the first opportunity. Included in the proposed energy package as one part of it is also the building of a new nuclear power plant.

The Trade and Industry Ministry has now completed its package, which it has been working on for half a year. The report goes under the title: "The General Energy Policy Needed to Protect Our Supply of Electricity in the 1990's." The package has already been presented to the government and it will come before the government's evening sessions during the next few weeks.

According to the ministry, by the year 2000 we will need an additional 2,000-3,000 megawatts of electric procurement capacity, depending on the bases for estimating it. They will try to handle the increment first by producing heat energy, industrial counterpressure energy and waterpower in small amounts.

In addition, according to the ministry's report, we will need a large independent electric procurement capacity: nuclear power, conventional condensation energy and imported electricity.

Peat-burning power plants are probably meant by conventional condensation energy. Last spring Trade and Industry Minister Seppo Lindblom proposed that a 500-mW nuclear power plant and several smaller peat-burning plants, whose combined capacity would be 500 mW, be built.

Time for Decisions

"Since we are proposing that both nuclear power and conventional condensation energy be produced for the 1990's, now is the time for making decisions affecting them," the ministry urged. "Requiring a longer time to put into effect, the economically more advantageous alternative, nuclear power, will thus be able to keep up with our schedule," they say in the ministry paper.

The ministry also emphasized that its proposal should be examined as a whole, instead of deciding on one case at a time. Energy conservation, domestic energy, employment, the environment and trade policy would be taken into account in the overall picture.

A half a year in preparation at the ministry, the preface to the energy package for the next decade is tougher than anticipated. Thus the ministry has come closer to the positions adopted by industry in which it repeatedly urges that the decisions on energy be made and particularly the decision to build a fifth nuclear power plant.

A rate of economic development that was more rapid than expected influenced the tightening of the ministry's timetable. Another reason to press for decisions is expected delays in the completion of certain big power plants. For example, the big power plants in both Helsinki and Pori are expected to be completed later than planned. According to the original plans, both should be in operation during the first half of the 1990's.

The position of the biggest government parties on nuclear power is that a decision should not be made before Parliament has discussed the nuclear energy law. Thus the decision on a nuclear power plant will probably be postponed until far into next year.

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CSO: 3617/8

ENERGY

GREECE

DEP MEMBERSHIP AGREEMENT IN OIL CONSORTIUM

Athens I KATHIMERINI in Greek 6 Nov 85 p 7

[Text] The Public Petroleum Corporation's (Denison et al.) final agreement, through which the DEP becomes an equal member of the consortium carrying out prospecting and holding exploitation rights to the oil offshore from Thrace, was signed yesterday at the Ministry of Industry and Energy.

According to the agreement, the participation share of the consortium's five companies are as follows in the Prinos and Southern Kavala exploitation areas:

	%
DEP	10.000
DENISON	61.875
WINTERSHAL	11.250
HELLENIC OIL	9.000
WHITESHIELD	7.875

Prospecting Areas:

	%
DEP	25.0000
DENISON	51.5625
WINTERSHAL	9.3750
HELLENIC OIL	7.5000
WHITESHIELD	6.5625

The DEP's share will be 30% of the net profits. Furthermore the state will receive in taxes the equivalent of 50% of the net profits, after the DEP's share is deducted.

The documents which were signed are the notarized acts of transfer to the Public Petroleum Corporation of ab indiviso shares, i.e. 10% in the exploitation areas of Prinos and Southern Kavala--excluding present deposits--and 25% in prospecting areas.

Above all, the Public Petroleum Corporation now participates on an equal footing in prospecting for and exploitation of the hydrocarbons offshore from Thrace.

Besides directly protecting public interests, this participation also ensures the avoidance in the future of "points of friction" which constituted reasons in the past for conflicts in relations with the consortium.

It is obvious that the participation of the Public Petroleum Corporation results in an increase of revenues on the Greek side, in view of the fact that the revenues from those shares are over and above:

- a) the partial share of the Public Petroleum Corporation which it already receives and which is 30% of the net profits, and
- b) the state tax, which is equivalent to 50% of the net profits after the share of the Public Petroleum Corporation is deducted.

Typically, it is estimated that if in the two areas of prospecting a deposit of the capacity of Prinos (that is, about 60 million recoverable barrels) is found, then the additional net profit of the Public Petroleum Corporation in present values is of the order of \$60 million, while a similar deposit in the prospecting areas would yield an additional net profit of the order of \$150 million.

As was announced yesterday by the Ministry of Industry and Energy, the drilling at Western Prinos, which is carried out by the consortium, began a short while ago and is progressing rapidly, according to plan.

The drilling has already reached a depth of 2,100 meters.

Furthermore, drilling for oil with a new drill will begin in December in the Thermaic Gulf.

12278

CSO: 3521/31

ENERGY

PORTUGAL

BRIEFS

LOWER OIL SALES--Consumption of petroleum products was down almost 7 percent last year, according to a report published yesterday by Petrogal /Portuguese Petroleum/. The decrease was attributed to the government's restrictive policies. The document points out a 5-percent decrease in the use of fuel oil (except for that used for electricity generation), and a 2 percent decrease for naptha/gasoline. Last year the decrease in petroleum products consumption was 8.9 million tons as compared to 1983 consumption levels, or a reduction of 0.7. It must be noted that Petrogal shows results from exploration in 1984 of 7.6 million contos, (59.6-percent increase over the previous year) and profits of 534,121 contos. It should be remembered that the company handed over more than 10.3 million contos to the government, of which more than 3 million went to the Supply Fund. /Text/ /Lisbon DIARIO DE NOTICIAS in Portuguese 10 Oct 85 p 5/ 13116/12228

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